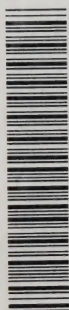


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CANADA

# FEDERAL-PROVINCIAL CONDITIONAL GRANT AND SHARED-COST PROGRAMMES 1962

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# FEDERAL-PROVINCIAL CONDITIONAL GRANT AND SHARED-COST PROGRAMMES 1962

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Catalogue No. F2-1383

Price \$3.00

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## Foreword

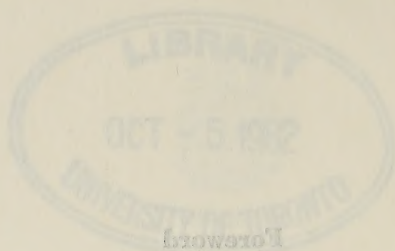
The absence of a detailed summary of the numerous federal-provincial conditional grant and shared-cost programmes has long been felt by officials and the interested public. To fill this need for official purposes, the Federal-Provincial Relations Division of the Department of Finance prepared for the use of the members of the Federal-Provincial Continuing Committee on Fiscal and Economic Matters a brief historical summary of the various joint programmes in existence in 1962. The summary was presented to the Continuing Committee at its June 1963 meeting. The current interest in this area of federal-provincial relations warrants the summary being made available to a wider audience. The summary was brought down to December 31, 1962. No account is given of new programmes or changes in existing programmes that may have occurred since that time. The statistical tables show the federal payments to each province under the various programmes but they do not reveal federal expenditures under shared-cost programmes in which the two levels of government independently carry out their portion of a joint project. The federal expenditure on such projects is set out in the descriptive narrative.

R. B. Bryce,

*Deputy Minister of Finance.*

Ottawa,

October 1, 1963.



The absence of a detailed summary of the numerous federal-provincial con-  
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time. The summary is not intended to be a complete guide to the various programmes  
under shared-cost programmes. It is intended to provide a general overview of the  
in the descriptive nature of the various programmes.

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TABLE OF SELECTED DATA ON  
CONDITIONAL GRANT AND SHARED-COST PROGRAMMES, 1961-62

Department and Project	Year Established	Basis of provincial apportionment of federal funds	Provinces Participating	Provincial Share % of	Maximum Limitation on grant if any (2)	Federal Contribution 1961-62 \$000
<b>AGRICULTURE</b>						
1. Premiums on pure bred sires, etc.	1913	extensiveness of provincial programs	10	Not uniform	Not uniform	65
2. Freight assistance on livestock shipments to Royal Winter Fair.	1946	extensiveness of provincial programs	9 (Ont. ex.)	25	O	28
3. 4-H Club Activities.	1900	extensiveness of provincial programs	10	50	O	120
4. Potato Warehouse Construction.	1947	estimated costs	P.E.I., Man., Sask. and B.C.	37½	O	203
5. Agricultural Lime Assistance.	1943	extensiveness of provincial programs	7 (Prairies ex.)	40	O	2,662
6. Land protection and reclamation						
(a) Riding and Duck Mts.	1949	estimated costs	Man.	50	F	217
(b) Pasqua.	1953	estimated costs	Man.	— <sup>3</sup>	F	13
(c) Newfoundland Barrens.	1955	estimated costs	Nfld.	50	F	125
(d) Maritime Marshland Rehab.	1943	estimated costs	Maritimes	— <sup>6</sup>	O	1,005
7. So. Sask. Dam (dams and reservoir).	1958	estimated costs	Sask.	25	P	12,621
8. Assistance in Fodder Transportation.	ad hoc	estimated costs	Prairies	50	O	1,092
9. Harvesting cereal crops for fodder.	ad hoc	extensiveness of provincial programs	Prairies	50	F	186
10. Crop Insurance.	1961	extensiveness of provincial programs	P.E.I., Man. and Sask.	0 to 50% of admin. costs	O	353
11. Community well drilling.	1961	extensiveness of provincial programs	Prairies	35	F	11
12. Indemnity for Losses due to disease						
(a) Rabies.	1959	incidence of disease	Ont.	60	O	13
(b) Fusarium Rot.	1960	incidence of disease	P.E.I.	50	F	195
<b>CITIZENSHIP AND IMMIGRATION</b>						
1. Hospitalization and Welfare of Indigent Im- migrants.	1947	estimated costs	9 (N.B. ex.)	50	O	62
2. Instruction for Immigrants.	1954	extensiveness of provincial programs	9 (Que. ex.)	50	O	233
3. Fur Conservation.	1939	extensiveness of provincial programs	Ont., Man., Sask.	40-50	F	149
4. Roads on and to Indian Reserves						
(a) Saskatchewan Region.	ad hoc	estimated cost	Sask.	50	O	55
(b) Six Nations Reserve.	ad hoc	estimated cost	Ont.	50-80	O	165
(c) Ktumaat Reserve.	ad hoc	estimated cost	B.C.	50	O	—
5. Non-Reserve Schools for Indians						
(a) capital contribution.	ad hoc	estimated cost			O	1,914
(b) instructional contribution.	1948	estimated tuition costs		ratio white to Indian children	O	1,670
6. Welfare Services to Indians.	1960	specified in each agreement	N.S., Ont., Man., Sask., B.C.	— 0-50 varies	O	51



CIVIL DEFENCE.....	1952	population	10	25-50 <sup>s</sup>	F	3,079
FISHERIES						
1. Construction subsidy—fishing vessels.....	1942	extensiveness of provincial programs	Atlantic Prov., and Que.	— <sup>3</sup>	O	302
2. Income Sustenance Works programme.....	ad hoc	extensiveness of provincial programs	Nfld.	15	O	267
3. Industrial Development.....	1959	extensiveness of provincial programs	Atlantic Provs.	50	O	54
FORESTRY						
1. Forest Inventory.....	1951	extensiveness of provincial programs	7 (Nfld., P.E.I. Que. ex.)	50	O	703
2. Reforestation.....	1951	extensiveness of provincial programs	7 (Nfld., N.B., Que. ex.)	— <sup>4</sup>	O	229
3. Forest Fire Protection.....	1957	flat grant, ratio of provincial forested areas and ratio of provinces' previous expenditure on forest fire protection	10	50-75	F	1,248
4. Forest Access Roads (Winter Works).....	1958	flat grant, ratio of provinces' productive forested land	8 (Nfld., P.E.I. ex.)	50	F	3,885
5. Forest Stand Improvement (Cape Breton).....	1961	incidence of infestation	N.S.	20	F	236
6. Spruce Budworm Eradication.....	1953		N.B.	33 <sup>1</sup>	F	499
LABOUR						
1. Agricultural Manpower.....	1941	specified in Agreement	9 (Nfld. ex.)	50	F	152
2. Rehabilitation of Disabled Persons.....	1953	extensiveness of provincial programs	9 (Que. ex.)	50	O	196
3. (a) Vocational High School Training.....	1950	flat grant and population (15-19 age group)	9 (Que. ex.)	50	F	1,954
(b) Technician Training.....	1960	extensiveness of provincial programs	10	50	O	3,351
(c) Trade and Other Occupational Training	1960	extensiveness of provincial programs	10	50	O	5,407
(d) Training in Co-op. with Industry.....	1946	extensiveness of provincial programs	10	50	O	32
(e) Training of Unemployed.....	1948	extensiveness of provincial programs	10	25-50	O	3,941
(f) Training for the Disabled.....	1950	extensiveness of provincial programs	10	50	O	368
(g) Training of Technical and Vocational Teachers.....	1960	extensiveness of provincial programs	10	50	O	213
(h) Training for Federal Depts. and Agencies.....	1942	estimated cost	10	0-25	O	27
(i) Student Aid.....	1937	specified in Agreement	10	50	F	331
(j) Technical and Vocational Correspondence courses.....	1950	extensiveness of provincial programs	10	50	O	9
(k) Capital contribution.....	1945	extensiveness of provincial programs	10	25 to Mar. 31/63 and 50 afterwards	O	17,876
4. Apprenticeship Training.....	1944	extensiveness of provincial programs	9 (Que. ex.)	50	O	2,161
5. Municipal Winter Works.....	1958	extensiveness of approved municipal programs	10	not uniform	O	24,249

TABLE OF SELECTED DATA ON  
CONDITIONAL GRANT AND SHARED-COST PROGRAMMES, 1961-62—Continued

Department and Project	Year Established	Basis of provincial apportionment of federal funds	Provinces Participating	Provincial Share % <sup>(1)</sup>	Maximum Limitation on grant if any <sup>(2)</sup>	Federal Contribution 1961-62 \$000
<b>NATIONAL HEALTH AND WELFARE</b>						
1. National Health Grants						
(a) Hospital Construction.....	1948	estimated construction	10	50	F	19,000
(b) Professional Training.....	1948	flat grant and population	10	— <sup>3</sup>	F	1,447
(c) Mental Health.....	1948	flat grant and population	10	— <sup>3</sup>	F	8,215
(d) Tuberculosis Control.....	1948	flat grant, population and T.B. deaths	10	— <sup>3</sup>	F	3,215
(e) Public Health Research.....	1948	based on research needs	10	— <sup>3</sup>	F	1,610
(f) Cancer Control.....	1948	flat grant and population	10	50	F	2,783
(g) General Public Health.....	1948	flat grant and population	10	— <sup>4</sup>	F	9,606
(h) Child and Maternal Health.....	1953	flat grant, provincial infant birth and death ratio	10	— <sup>3</sup>	F	1,388
(i) Medical Rehabilitation and Crippled Children.....	1953/48	flat grant and population	10	—	F	1,614
—training of personnel.....				—		
—purchase of equipment.....				—		
—provision of services.....				—		
2. Hospital Insurance.....	1958	population eligible for hospitaliza- tion × (25% of average national per capita costs + 25% of average provincial per capita costs)	10	Not uniform	O	283,209
3. Old Age Assistance.....	1952	needy population (age group 65-69)	10	50	O	30,749
4. Blind Persons' Allowances.....	1937	needy blind population (age group 18-69)	10	25	O	4,108
5. Disabled Persons' Allowances.....	1954	needy disabled population (age group 18-69)	10	50	O	16,425
6. Unemployment Assistance.....	1955	needy unemployed	10	50	O	91,952
7. Fitness and Amateur Sport.....	1962	flat grant and population	?	—	F	—
<b>NORTHERN AFFAIRS AND NATIONAL RESOURCES</b>						
1. Water Conservation.....	1938	estimated construction costs	Ont.	37½-62½	F	156
2. Fraser River Board.....	1949	estimated survey costs	B.C.	50	O	300
3. Lake of the Woods Control Board.....	1921	estimated capital cost	Man., Ont.	66 2/3	O	—
4. Roads to Resources.....	1958	flat grant for province	10	50	F	12,000
5. Camp Grounds—Picnic Areas						
(a) Winter Works.....	1958	extensiveness of provincial programs	8 (Nfld., P.E.I. ex.)	50	O	1,634
(b) Trans-Canada.....	1959	provincial Trans-Canada mileage	8 (Que., Ont. ex.)	5	F	66

# Public Works

1. Trans-Canada Highway.....	1950	provincial mileage and extensiveness of provincial programs	10	10-50	O	36,484
2. Okanagan Flood Control.....	1950	estimated cost	B.C.	50	O	37
3. Campbellton—Cross Point Bridge.....	1958	estimated cost	N.B., Que.	33 1/3 over \$1.4 million	P	736
4. Campobello—Lubec Bridge.....	1958	estimated cost	N.B.	33 1/3	O	235
5. Ottawa—Hull Bridge.....	1961	estimated cost	Ont., Que.	33 1/3	O	139
6. Mulgrave Wharf.....	1959	estimated cost	N.S.	33 1/3	O	41
7. Urban Redevelopment <sup>1</sup> .....	1944	estimated cost	10	50 <sup>5</sup>	O	3,131
8. Urban Renewal Studies <sup>1</sup> .....	1956	estimated cost	10	25-50 <sup>5</sup>	O	130
9. Land Assembly and Low-Rental Housing <sup>1</sup> .....	1949	estimated cost	10	25 <sup>5</sup>	O	75% of losses on capital advanced

# TRANSPORT

1. Railway Grade Crossing Fund.....	1909	approved construction	10	12 1/2-15 <sup>5</sup>	F	10,296
2. Municipal Airports.....	1927	related to airport operational deficit	10	—	O	132
(a) operational subsidy.....		approved capital projects		50 <sup>5</sup>	F	106
(b) capital.....						

<sup>1</sup> As here used 50% may mean the province has to contribute 50% of the cost of the project or has to match the federal contribution.

<sup>2</sup> F—a maximum limit set to the federal share;

P—a maximum limit to the provincial share;

O—federal and provincial shares are open ended.

<sup>3</sup> Provinces to provide administration, services, facilities, land, or loans, etc.

<sup>4</sup> Provinces to maintain existing level of expenditures.

<sup>5</sup> Represents the provincial and/or municipal share

<sup>6</sup> Each government undertakes to carry out an aspect of the program and bear the costs associated with that aspect.

<sup>7</sup> Disbursement made by C.M.H.C. as federal government's agent.

ex. = excepted







# DATA PAPERS ON SPECIFIC CONDITIONAL GRANT PROGRAMMES

## AGRICULTURE

### 1. *Agricultural Manpower*

The federal Department of Labour annually enters into a Farm Labour Agreement with each province (Newfoundland excepted) by which the federal and provincial governments agree to share equally the cost of a co-operative programme under which workers engaged in agriculture and other primary industries are transferred by organized movement from areas of labour surplus to areas of labour shortage, as the seasons require. The programme covers movement of workers within a province, between provinces, and between Canada and the United States, as the need arises.

The first shared-cost agreement was made between Canada and Ontario in 1941, and in 1942 similar agreements were entered into with the remaining eight provinces and have been annually renewed since that date.

The programme in each province is guided by a Federal-Provincial Farm Labour Committee and a provincial director. In late fall of each year there is a Federal-Provincial Farm Labour Conference, at which representatives of the Federal-Provincial Farm Labour Committee are present who review the past year and estimate the possible labour needs of the ensuing year. The Conferences have annually advised a renewal of the agreement, and each year estimate cost of such agreement for each province. On the basis of their estimate, the maximum federal contribution per province is decided and written into the federal-provincial agreement.

The transportation cost of inter-provincial recruitment and movement of farm workers is initially paid by the federal Department of Labour through the agency of the Unemployment Insurance Commission, and the provinces reimburse the federal government for 50% of such expenditure. The intra-provincial costs of recruiting, transporting, sheltering, etc., are borne initially by the province, and the federal government reimburses the provinces for 50% of such expenditures.

	up to March 31, 1961	1961-62
Newfoundland .....	\$ —	\$ —
Prince Edward Island .....	21,882	5,389
Nova Scotia .....	130,759	8,636
New Brunswick .....	61,659	4,198
Quebec .....	287,560	21,194
Ontario .....	1,213,982	11,131
Manitoba .....	290,697	17,199
Saskatchewan .....	607,199	19,810
Alberta .....	837,422	56,420
British Columbia .....	390,899	8,299
Total .....	\$ 3,842,059	\$ 152,276

The federal contributions to the provinces under this programme from its inception up until March 31, 1962, total \$4 million and the net cost to the federal government of inter-provincial transport of farm workers up to March 31, 1962, has been \$7 million. The federal contributions by province up to March 31, 1961, and the contributions for 1961-62, are set out in the above table.

## 2. Freight Assistance on Livestock Shipments to the Royal Winter Fair

The federal government reimburses the provinces to the amount of 75% of the costs to the provinces of shipping livestock from the provinces to the Royal Winter Fair. The federal government shares only the freight charges on carload lots from a central collecting point in each province to Toronto and return. Federal assistance is not available to Ontario.

This shared-cost programme originated in 1946-47 when the annual operating subsidy of \$35,000, guaranteed the Royal Winter Fair in 1927 for twenty years (17 Geo. V., c. 9), terminated. In 1960-61, the federal contributions amounted to \$20,369, and the contributions for 1961-62 were \$28,000.

## 3. Agriculture Lime Assistance

In continuation of a policy begun during the Second World War (1943-44), the federal government, under authority of an Order-in-Council dated March 4, 1958, shares with the governments of seven provinces (Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick, Quebec, Ontario, and British Columbia) 60% of the costs of their programmes to increase the utilization of lime for soil amendment purposes.

The federal contributions by province from the beginning to 1960-61, and the contributions for 1961-62, are listed below:

	1943-44 to 1960-61	1961-62
Newfoundland .....	\$ 86,645	\$ 18,313
Prince Edward Island .....	567,512	71,456
Nova Scotia .....	1,195,808	115,526
New Brunswick .....	1,147,654	106,486
Quebec .....	5,603,468	2,238,648
Ontario .....	400,379	36,571
Manitoba .....	—	—
Saskatchewan .....	—	—
Alberta .....	—	—
British Columbia .....	525,085	74,500
Total .....	\$ 9,526,551	\$ 2,661,500

## 4. Reclamation of Newfoundland Barren Lands

Commencing in fiscal year 1955-56, Canada has annually by Order-in-Council authorized a payment to Newfoundland of 50% (to a maximum of \$125,000 in any one year) of the provincial costs of a programme of land clearing, breaking of new lands, development of marsh and bog lands, and construction of access roads. Newfoundland must spend on its own account no less than \$122,290 per annum, the amount it was spending prior to federal participation in the programme.

There is no formal agreement with Newfoundland as to the location or amount, or existent tenure of the land that is to be reclaimed. Up to 1960-61, the federal contributions to Newfoundland amounted to \$725,866 and for 1961-62 the federal contribution came to \$125,000.

##### 5. *Riding and Duck Mountain Drainage and Dyking Projects*

Commencing with the fiscal year 1949-50, (P.C. 5/6191 dated December 7, 1949) the federal government has annually entered into an agreement with the Province of Manitoba to contribute 50% of the construction costs (excluding cost of right-of-way) incurred by the province in constructing drainage and flood control works on streams in the Riding and Duck Mountain drainage basin and on streams in the Interlake region. In addition, cost of engineering services in the case of drainage and flood control works are to be borne by the federal government through its agency, the P.F.R.A., and in the case of bridge structures, by the province.

The agreement was annually renewed; up to 1959-60 each renewal specified the work project for the year and that the federal share should not exceed a specified amount for the year in question. The amounts spent in subsequent years have been amounts needed to finish aspects of various work projects covered by former agreements. From 1949-50 to 1960-61, the federal contributions amounted to \$775,267, and for 1961-62 the contribution was \$217,040.

##### 6. *Saskatchewan River Reclamation—Pasquia Area*

The federal government entered into an agreement with the Province of Manitoba in 1953 to reclaim and eliminate flood damage to lands in that portion of the Saskatchewan River delta lying between the Carrot and Pasquia Rivers. Canada was to bear the costs of engineering services, of acquiring private lands necessary to the project, and of constructing the necessary works. Manitoba was to provide without charge Crown lands necessary to the project and to survey, subdivide, and supervise settlement of the reclaimed lands, subject to the proviso that Manitoba must make available 50% of such lands for resettlement of farmers from crop failure areas and to give preference to veterans. Manitoba was to pay to Canada 50% of the principal monies received from the sale of the reclaimed land except the principal monies on sales of lands to leaseholders (whose leases predated the reclamation) were to accrue in their entirety to Manitoba.

The agreement was entered into by Canada on the understanding that the cost of the project would not exceed \$1,350,000 and would be completed in three years. When it was apparent this understanding would not be met, the agreement was amended in 1956. The amended agreement increased the cost of the project to \$2,300,000 to be completed over a six-year rather than a three-year period. In consequence of the increased costs to the federal government, the Province of Manitoba was to remit 75% rather than 50% of the principal monies received from the sale of the reclaimed land.

The agreements were entered into under authority of Orders-in-Council (P.C. 1953-2/571 and P.C. 1956-2/738) and the federal expenditure is covered by a vote in the Appropriation Act. The federal expenditure on the project up to March 31, 1961, amounted to \$2,208,853 and the expenditure for 1961-62 was \$13,319. The project has now been completed and turned over to the province.



### 7. *South Saskatchewan River Irrigation and Power Project*

On July 25, 1958, Canada and the Province of Saskatchewan entered into an agreement to construct a dam and power plant on the South Saskatchewan River near Outlook and a subsidiary dam on the Qu'Appelle River. The project is to provide water for the irrigation of approximately 500,000 acres in central Saskatchewan, hydro-electric power, water for the Cities of Regina and Moose Jaw, recreational facilities, and control of flooding.

Canada is to undertake the construction of the dams and reservoir, Saskatchewan the power plant and irrigation works. With respect to the dams and reservoir, Canada will share 75% of the cost and Saskatchewan 25% save Saskatchewan's share shall not exceed \$25 million. With respect to the power plant, Canada will share 25% of the cost of the construction and installation of penstocks within the main dam that may be necessary to produce 200,000 horsepower at the reservoir's minimum operating head. Of the costs shareable by Saskatchewan, 50% is to be paid in cash and 50% in 20-year obligations of the Province of Saskatchewan bearing interest at 1/8 of 1% higher than the then current borrowing rate of the Government of Canada.

Saskatchewan is to assume maintenance and operation of the project on completion but during the first ten years, Canada is to pay for the first six years of the period 100% of the reservoir maintenance costs and for the remaining four years 50%. For a further 15 years, Canada is financially responsible for the consequences ensuing from any failure of the dam. Saskatchewan on its part is, within three years of the transfer of the reservoir to Saskatchewan, to complete construction of irrigational works adequate to fully irrigate a minimum of 50,000 acres.

On December 1 each year, the two governments are to exchange cost data for the preceding fiscal year indicating the amount of their respective costs which are to be paid by the other. Settlement of such costs is to be made by December 31.

Up to March 31, 1962, Canada spent a net \$30,165,796 on this project, the expenditure for 1961-62 was \$11.5 million. The province of Saskatchewan's share of the costs up to March 31, 1962, amounted to \$7,797,300, of which \$1,819,506 has been remitted in cash and \$1,830,379 in provincial treasury bills.

### 8. *Maritime Marshland Rehabilitation*

Commencing in 1943, the federal government and Nova Scotia began a programme of emergency repairs to marshland dykes. This programme was extended to New Brunswick in 1945, and from that date until 1949, Canada entered into annual agreements with both provinces to provide emergency repairs to dykeland structures. The provinces carried out the repairs and the federal government reimbursed the provinces for one-third of the cost; the remaining costs were shared one-third by the province and one-third by the marsh owners. This programme cost the federal government a total of \$311,305.

The inadequacy of the above programme led the federal government in 1948 to pass the Maritime Marshland Rehabilitation Act, R.S. 1952, c. 175, which authorized Canada to undertake in conjunction with the Provinces of Nova Scotia, New Brunswick, and Prince Edward Island, a programme of reclamation and development of marsh lands through the construction and reconstruction of dykes, aboiteaux, etc.



Under the authority of the above Act, Canada entered into agreements with the three Maritime Provinces in 1949. Under these agreements, Canada undertook to bear the cost of

- (a) the construction or reconstruction of the necessary protective works,
- (b) all engineering services required by the rehabilitation programme, and
- (c) the maintenance of the protective works until the Minister of Agriculture should turn them over to the province.

The provinces under the same agreement agreed to bear the cost of:

- (a) provision of the necessary lands for the protective works;
- (b) provision of the internal drainage system for each project;
- (c) development of a suitable land utilization policy for each project; and
- (d) the prior organization of the marshland owners in each area into a corporate body before the rehabilitation of the area was undertaken.

The initiative to reclaim an area must come from the province, but the project will not be undertaken until an Advisory Committee on which there is federal and provincial representation has approved the area's rehabilitation and the necessary engineering works. Each authority may carry out its responsibility separately, but if a contract is let for an entire project, each government pays 100% of the costs of those aspects of the contract which are its respective responsibility. Where a federal dyke may be utilized as a highway, etc., a separate agreement is negotiated in which the province bears a portion of the cost of the project. The provincial share is negotiated separately for such a special project and bears a relation to the additional expenditure necessitated by the adaption of the dam to highway use. Such a project was the Annapolis River Aboiteau-Causeway in which the costs were borne by Canada and Nova Scotia in the ratio of 7 to 4. Canada undertook the project and was reimbursed by Nova Scotia.

Up until fiscal year 1961-62, projects under this programme had cost the federal government \$19,632,054, of which \$8.5 million was spent on capital projects in Nova Scotia, \$5.1 million in New Brunswick, and approximately \$20,000 in Prince Edward Island. Under special projects Nova Scotia had, up to 1961-62, paid Canada \$1.1 million as its share of such projects and New Brunswick had paid \$.4 million.

#### *9. Agricultural Rehabilitation and Development (ARDA)*

Following consideration over the years of the problem of low rural income associated with marginal and sub-marginal agricultural lands and following the more immediate study undertaken by a Senate Special Committee on Land Use and a Cabinet Committee on Rural Development, Parliament was in 1961 asked to pass enabling legislation. The objective of the legislation was to raise farm income by (a) finding alternative and more profitable uses for marginal and sub-marginal agricultural lands, (b) encouraging projects which would provide employment opportunities in agricultural areas, and (c) increasing the productivity of agricultural lands through soil improvement and conservation, and the development and conservation of water supplies. The legislation, entitled the Agricultural Rehabilitation and Development Act (1960-61, c. 30), empowered the Minister of Agriculture to enter into agreements with the provinces to undertake joint projects in the three categories listed above and to make a

contribution to a province whenever a joint project was undertaken. The Minister also may directly or in co-operation with a province, undertake any programme of research and investigation which may be useful in furthering the objectives of ARDA.

On April 24, 1962, Cabinet approved a draft General Agreement to be entered into with the provinces which set out in broad outline the overall pattern of federal financial contributions and the kind of projects or programmes that are contemplated. Under this general agreement it is intended that specific agreements shall be entered into with respect to each particular project. The draft General Agreement was circulated to the provinces and as a result of provincial comments the draft General Agreement was revised. The revised draft was approved by the Cabinet and presented to the provinces for their signature.

The General Agreement specifies that the federal contribution shall not exceed \$50 million over the life of the agreement (June 1, 1962, to March 31, 1965) with a limit, on any one year's contribution, of \$20 million. The federal contribution is to be allotted among the provinces on the following basis: (a) an initial allotment of \$750,000 per province and (b) the remainder in the ratio per province of the net value of agricultural production combined with the number of sub-marginal farms (those with a potential annual production or gross revenue of less than \$1,200 per annum) and the rural population to the national totals of the same. The data to be employed in the determination of the ratio is to be drawn from the most recently published census of Canada. The agreement specifies that of the federal allotment to each province not less than 15% shall be allocated to research projects and rural development studies of which not less than half must be spent on projects other than rural development studies. The agreement further specifies that the amount of the federal contribution spent on soil and water conservation shall not exceed 50% of the province's allotment except with the approval of the Governor in Council.

The General Agreement provides for joint undertakings on cost-sharing on a wide range of possible projects for alternative uses of land, soil and water conservation, rural development, and research and study projects.

The General Agreement, which provides the framework for the ARDA programme over an initial three-year period, has been entered into by all ten provinces.

Approval of specific projects for joint participation are in the process of negotiation.

#### 10. *Premiums on Purebred Sires*

In 1913, the federal Department of Agriculture, to assist in the improvement of Canadian livestock, began a programme of assisting in the purchase of desirable male breeding stock for placement on Canadian farms. The current programmes in which there is participation of provincial Departments of Agriculture are listed below.

##### (a) Premiums to Owners of Purebred Stallions

This programme is authorized by T.B.477584-1 March 31, 1955, as amended by T.B.515861, April 25, 1957. It is a joint shared-cost programme involving the Department of Agriculture and six provinces (Prince Edward Island, Nova Scotia, New Brunswick, Quebec, Ontario, and British Columbia). Each provincial



department shares equally the cost of inspection and annual grants to owners of purebred stallions which pass joint inspection and comply with specified requirements. The premium schedule for each province is prepared by a Federal-Provincial Board and is based on the class of stallion and the number of mares left in foal. Each government pays its share of the premium directly to the owners of the stallions. The federal premium is to equate that paid by the province but the T.B. minute specifies a maximum on the federal premium. The federal share of this programme amounted to \$55,656 in 1961-62.

#### (b) Purebred Foal Policy

This programme, administered under T.B. 477584-1, March 31, 1955, empowers the federal Department of Agriculture to pay assistance to owners of purebred mares that have been bred by a purebred stallion and produced a live foal. The federal assistance is paid directly to the owner on evidence submitted by provincial Agriculture Departments and shall be not more than that paid by the provincial department and shall in no case be more than \$12.50 per mare.

In 1961-62, one province, Saskatchewan, participated and the federal expenditure amounted to \$800.

#### (c) Boar distribution

This programme is currently governed by T.B. 477584, dated November 18, 1954. Under this authority the federal Department of Agriculture shares with the Manitoba and Saskatchewan Departments of Agriculture the cost of a joint federal-provincial boar distribution programme. In Manitoba, the province purchases purebred boars and places them on local farms and Canada pays to Manitoba 25% of the cost of the boars and 50% of the cost of delivery from point of purchase to the farms on which they are placed. In Saskatchewan, the province purchases the boars and sells them at a nominal sum to rural municipalities, the federal government reimburses Saskatchewan 50% of the net cost to the province of purchase and delivery costs.

In 1961-62, the federal share of the cost was \$2,712.

#### (d) Ram Premium Policy

Under T.B. 477584 of November 18, 1954, Canada pays to the provincial Departments of Agriculture in Prince Edward Island, Nova Scotia, New Brunswick, Quebec, Manitoba, and Saskatchewan, a share of a joint federal-provincial programme for the purchase and distribution, or assistance in the purchase of purebred rams.

In Prince Edward Island, Nova Scotia, and New Brunswick, Canada pays to the respective department 50% of the provincial premiums paid to purchasers of approved purebred rams, but there is a maximum federal contribution per ram ranging from \$7.50 to \$4.00, depending on the type and grade.

In Quebec, Canada contributes an amount equal to the provincial premium contribution, but the federal contribution is not to exceed \$1,700 per year.

In Manitoba, Canada pays 25% of the cost of the rams and 50% of the cost of delivery of rams to the farms on which they are placed.

In Saskatchewan, 50% of the difference between the purchase price of the rams and the price at which the province sells them to farmers is paid by Canada.

The cost of the programme to the federal government in 1961-62 was \$7,012.

(e) Sire Purchase Assistance—Newfoundland

The federal Department of Agriculture may pay to the Newfoundland Department of Natural Resources an amount equivalent to 50% of the amount paid by Newfoundland in its assistance to livestock producers in the purchase of purebred bulls, boars, and rams. The federal contribution to Newfoundland was \$2,082 in 1960-61 and \$1,717 in 1961-62.

11. *Swine Progeny Competitions*

Under authority of T.B. 477583, November 18, 1954, Canada participates in a joint federal-provincial programme to share equally with the provinces the cost of prize monies awarded in swine progeny competitions. The purpose of this programme is to stimulate interest in the production and marketing of top grade hogs of a quality which is essential to promote the domestic and export marketing of Canadian pork products. Nova Scotia, New Brunswick, and Manitoba, are currently participating in this programme. Federal expenditure in 1960-61 amounted to \$1,760, and in 1961-62 to \$1,705.

12. *Market Lamb Fairs and Sales Competitions*

Under T.B. 510549, January 11, 1957, the federal Department of Agriculture may pay to any provincial Department of Agriculture 50% of the provincial expenditure on market lamb shows and sales competitions. The programme is another of the federal livestock improvement programmes.

The provinces of Manitoba and Newfoundland are currently participating. Federal expenditure in 1960-61 amounted to \$2,430, and in 1961-62 to \$2,511.

13. *Transportation Assistance for Breeding Ewes*

By T.B. 571700 of November 3, 1960, Canada, for a five-year period commencing with fiscal 1960-61, may pay a province an amount not to exceed one-half the actual transportation costs of the movement of ewes and lambs retained for breeding purposes. The distance must not be less than 200 miles and the number in any one lot not less than 150 ewes. The federal contribution amounted in 1960-61 to \$339 and to \$10,688 in 1961-62.

14. *4-H Club Grants*

The genesis of these grants was the prizes the federal Department of Agriculture began to offer in 1900 for the best results in the growing and selecting of seed grain. In the intervening years boys' and girls' clubs have expanded into livestock production, various field crops, farm and home practices, and community leadership. In 1931, the Canadian Council on Boys' and Girls' Club Work undertook the co-ordination of the various clubs which body was in 1952 renamed the Canadian Council on 4-H Clubs.

The federal Department of Agriculture shares with each of the provinces the costs of prizes, record books, judging cards, travel to competitions, and local leadership training at 4-H Club events. The federal government contributes to each province 50% of provincial expenditures on 4-H Club activities. The federal



contributions for the following two years to the provinces amounted in 1960-61 to \$100,000, and in 1961-62 to \$119,986. A breakdown of the federal contributions by province is given below for 1961-62.

Newfoundland .....	\$ 1,909	Ontario .....	\$ 43,681
Prince Edward Island ....	4,475	Manitoba .....	14,696
Nova Scotia .....	5,147	Saskatchewan .....	22,592
New Brunswick .....	—	Alberta .....	10,058
Quebec .....	11,157	British Columbia .....	6,271
Total .....		\$ 119,986	

### 15. *Potato Warehouse Construction*

In 1947 (P.C. 4638, December 3, 1947), the federal government offered in a joint programme with the provinces to give financial assistance towards the construction of public potato warehouses by co-operative associations. The provision of frost-proof storage in areas of commercial potato production was designed to overcome the seasonal glut and scarcity of potatoes and thereby reduce the violent price fluctuations which characterized the return to the producers as well as the costs to the consumers. While the warehouses are primarily for the storage of potatoes, other produce may be stored in them.

Under the current authority (P.C. 2017, April 20, 1950), the warehouse must be built and operated by a co-operative association who must pay not less than 25% of the cost and the province the remainder. The federal government will reimburse the province for one-half of its contribution but the federal contribution shall not exceed 37½% of the total cost of the warehouse.

The association is to levy charges to meet operational and maintenance costs and an additional charge which, after payment of fire insurance costs, is to be distributed equally between the federal and provincial governments. When this charge has reimbursed the federal and provincial governments for their construction assistance, the warehouse becomes the property of the co-operative association.

Up to March 31, 1961, only three provinces, Prince Edward Island, Saskatchewan, and British Columbia, had participated in this programme and the total federal contribution amounted to \$245,014. In 1961-62, Manitoba participated and the federal contribution totalled \$203,269 (Manitoba \$140,745, Saskatchewan \$37,864, and British Columbia \$24,600).

### 16. *Crop Insurance*

Following a series of commissions and investigations by the provinces of Manitoba and Saskatchewan on the insurance of cereal crops, the Parliament of Canada in 1959 introduced and passed a Crop Insurance Act (7-8 Eliz. II, c. 43) which Act was brought into force on August 15, 1960, by proclamation SCR/60-381 dated August 11, 1960. Under this legislation Canada offered to assist financially, provincially operated crop insurance schemes which meet certain conditions. As amplified by regulations dated August 4, 1960 (P.C. 1960-1031), Canada declared that it would enter crop insurance agreements with any province with respect to some 18 agricultural crops. Crops insurable under federal-provincial crop insurance agreements are wheat, oats, barley, rye, flax-seed, grain corn, buckwheat, soybeans, potatoes, sugar beets, tobacco, sunflower seed, rapeseed, apples, pears, peaches, plums, cherries and apricots. Under the legislation the agreement with the province must specify the crop(s) being

insured, the calamity insured against, and the area or areas in which the producers are eligible for crop insurance.

Canada requires that the scheme presented by a province must be actuarially sound in the light of available data, that a minimum percentage of the producers in the insurable area or a minimum percentage of the insurable area are participating in the scheme (25% was the percentage envisaged) and that the amount of insurance payable should not exceed the value of 60% of the long-term average yield of the insured crop in the area. The latter proviso implied and the Minister stated that the insurance scheme envisaged a province being divided into a number of insurable areas of similar risk and that the premiums payable would vary from area to area dependent on the risk. If the provincial insurance scheme meets these conditions, Canada will agree to contribute 50% of the administrative costs, an amount equal to the portion of the premiums paid by the province up to but not exceeding 20% of the total premiums. In addition, to safeguard the province from the financial effects of a calamity in the early years of the insurance scheme before any reserves have accumulated, Canada will loan to the province 75% of the amount by which the indemnities required to be paid under the insurance policies exceed the premium receipts for the year, the reserve fund, and \$200,000.

The provinces are required to administer the scheme, determine the insurable crops and areas, the premiums to be charged (subject to federal approval), solicit the policies, determine the insured damage, and the amount of the indemnity. The province need make no financial contribution as it can charge its half share of administration costs to premium income and it need make no net contribution to premium income. In the event of indemnities exceeding current premiums and reserves, the province has to advance the first \$200,000 and 25% of any remainder. The 75% of the remainder is provided by Canada and is to be treated as a loan. The legislation does not specify from whence the loan is to be repaid, but the agreement with Manitoba, the first under the legislation, specifies that for the first twenty years in which the loan is outstanding repayment of principal and interest will be made from the net premium income and if at the end of that time some part of the loan is still outstanding, the remainder will be repaid by the province from provincial revenue sources in equal annual instalments over a fifteen-year period. The amount that may be diverted from net premium income to repayment of the federal loan is subject to certain limitations.

The federal contribution is expected to cover between 25% and 30% of the costs of insurance schemes which is roughly equivalent to the federal share of the cost of unemployment insurance. Further, the farmers who join a crop insurance scheme cease to be eligible for prairie farm assistance and cease to be required to pay the 1% levy under P.F.R.A. The crop insurance agreements may be terminated at any time by mutual consent of the federal and provincial governments. The province may unilaterally terminate an agreement at any time but Canada must give five years' notice of termination and such notice cannot be given until the agreement has been in force five years.

Crop insurance agreements have been entered into with the provinces of Manitoba, Saskatchewan, and Prince Edward Island. In each case the province limits the insurance coverage to test areas in order to secure the necessary operational experience before launching into large scale insurance coverage. The agreement with Manitoba was entered into on May 24, 1961. By vote 497 of the 1961-62

supplementary estimates, it was made retroactive to July 18, 1959, to allow Canada to contribute to Manitoba's expenses in organizing and operating a test crop insurance scheme for the 1960 crop year. The agreements with Saskatchewan and Prince Edward Island were entered into on June 1, 1962, and May 31, 1962, respectively.

	Manitoba	Saskatchewan	Prince Edward Island
1. Crops insurable.....	wheat, oats, barley, and flax	wheat, oats, and barley	potatoes
2. Insured against.....	hail, drought, flood, excessive rain, frost, wind, tornado, disease, rust, and pests	drought, flood, hail, wind, frost, lightning, excessive rain, snow, hurricane, tornado, wild life, insects, and plant disease	hail, drought, excessive rainfall, flood, frost, wind, tornado, disease, rust, and pests
3. Insured up to.....	60% of 35 yr. average of yield at Wheat Board Lakehead prices (flax excepted)	50%-60% of long-term yield at price per bushel specified in agreement	60% of 10 yr. average of yield and price
4. Provincial contribution....	50% of admin. costs	50% of admin. costs	—

The expenditure by Canada on crop insurance during fiscal 1961-62 was \$193,932 to Manitoba. The contribution to Manitoba in 1961-62 included Canada's share of premiums and administration expenses for 1959-60 and 1960-61 which came to \$159,314. Canada, in March 1962, advanced Manitoba a loan of \$479,173 at 5% to cover a portion of the deficit on the insurance scheme for the 1961 crop year as required under the agreement.

### 17. *Community Well Drilling*

Under T.B. 587120 of October 5, 1961, in order to meet the shortage of water for stock and domestic use due to the grave drought in the Prairie Provinces, Canada and the Prairie Provinces agreed to share with the municipalities the cost of drilling and equipping community wells for community use. On projects approved by the P.F.R.A. and a province, Canada was to contribute 35% of the costs to the municipality for drilling and equipping community wells, where the provinces contributed 35%, and the remainder was borne by the municipality. The municipality was to initiate each project, pay all accounts, and submit its claim to the province for reimbursement. The programme was initially to terminate on March 31, 1962, and a maximum limit of \$150,000 was placed on the federal contribution; but the programme has since been extended to March 31, 1963, with a further limit of \$150,000 on the federal contribution during 1962-63. The programme was extended partly because the severe winter limited the num-



ber of wells completed in 1961-62. The federal contributions in 1961-62 amounted to \$10,928 (Manitoba \$4,000; Saskatchewan \$4,000, and Alberta \$2,928).

## 18. *Compensation for Losses due to Disease*

### (a) Rabies Indemnity

As a rabies outbreak among wildlife in Ontario in the late 1950's had led to the infection of livestock, and as the owners of livestock infected with rabies do not qualify for compensation under section 12 of the Animal Contagious Diseases Act, Canada offered to contribute towards the cost of the indemnity paid by Ontario to the owners of livestock that died from rabies.

Under P.C. 1959-1/672, dated May 26, 1959, Canada agreed to share the cost 40% federal, 40% provincial, and 20% municipal up to a specified maximum. The federal share was not to exceed 40% of the following maximum indemnity per animal: cattle \$250, horses \$100, sheep, swine, and goats \$40. The sharing was made retroactive to April 1, 1958; the municipality was to administer the indemnity programme. It was to pay the farmer, seek reimbursement of 80% of the cost from the province who in turn would seek 40% reimbursement from the federal government. A veterinary's certificate certifying death was due to rabies was required in each case before Canada would make its contribution.

Due to arguments advanced by the municipalities the sharing arrangements were changed as of July 1, 1960, by P.C. 1961-3/530, dated April 6, 1961. Canada was to continue to pay 40% and the province of Ontario 60%. This split had been brought into effect as of April 1, 1958, by P.C. 1959-1/1586, dated December 11, 1959, for unorganized territories in Ontario. The schedule of compensation for animals as specified above continues to apply. The province now evaluates the loss and pays the owner.

The federal contribution under this programme amounted in 1961-62 to \$12,814.

### (b) Fusarium Rot Compensation

By P.C. 1961-1042, dated July 17, 1961, Canada undertook to share with the province of Prince Edward Island compensation paid to Island potato growers who suffered crop losses due to fusarium rot in the 1960 crop year. The programme was to be administered by the province under the following conditions: (a) a grower to be eligible must have 1 acre in potatoes, (b) compensation was limited to a maximum of \$600 per grower, (c) to be eligible, a grower must suffer a loss in excess of 15% of his crop, (d) payment was to be on a per acre basis to be determined by multiplying \$156 by the percentage loss less 15%. The valuation of \$156 per acre was equivalent to 60% of the previous 10-year average value per acre of the Prince Edward Island potato crop. Canada shared 50% of the compensation paid. The amount contributed in 1961-62 was \$194,968. In the future, such losses should be covered by arrangements under the crop insurance agreement between Canada and Prince Edward Island.

## 19. *Prairie Farm Rehabilitation Administration*

Following the severe drought in the Prairie Provinces in the early 'thirties Canada, in 1935, passed the Prairie Farm Rehabilitation Act whose object was to rehabilitate the lands and farmers stricken by drought. A time and expendi-

ture limit was initially placed on the P.F.R.A., but in 1939 these limits were removed. The P.F.R.A. has undertaken the withdrawal of poor quality lands from cultivation, the resettlement of farmers operating such lands, encouraged better farming practices, and conservation of water for farm purposes. These projects are carried out by the P.F.R.A. at federal expense.

From time to time Parliament has entrusted the carrying out of large irrigation projects, land reclamation and development works including flood control, which are outside the normal scope of P.F.R.A. activities, to the P.F.R.A. organization. In these larger undertakings there is usually an agreement with a province to share in the execution and financing of the project. The two parties normally agree to divide the project into two parts, the federal government to execute and finance one part and the province the other part. While these projects may be classified as shared-cost programmes, they are not conditional grant programmes as there is normally no transfer of funds between governments. The following three projects are examples.

#### (a) St. Mary's Irrigation Project

This project is being constructed under an agreement between Canada and Alberta (P.C. 17/2622—1950) which provides for a division of responsibilities between the two governments. It is the intention to utilize Canada's share of three international streams; the St. Mary, Belly, and Waterton Rivers. Canada has assumed responsibility for the construction of all main reservoirs, connecting works, and large dams between the Waterton River and Ridge Reservoir inclusive. Alberta has assumed responsibility for the construction of the distribution system, with engineering supervision of the construction provided by the P.F.R.A. Development and colonization of the new irrigable areas is the responsibility of the province.

The capital funds expended by Canada on this project to March 31, 1962, were \$23,550,036.

#### (b) Bow River Irrigation Project

This project was purchased by Canada from the Canada Land and Irrigation Company Limited in 1950 (see P.C. 3144-1950). The structures and works were in a poor state of repair and Canada undertook the task and expense of renovating, redesigning, and enlarging the system. As the project is owned by Canada, Canada bore the cost. With respect to those lands in the immediate vicinity not owned by Canada, an agreement was entered into with Alberta (P.C. 1953-1/984) under which Alberta agreed to build the distribution system on these lands for water secured from Canada. Canada delivers the water at cost to Alberta. Up to March 31, 1962, Canada had expended \$28,669,093 on this project including \$2.4 million to purchase the assets of the aforementioned Company.

#### (c) Eastern Irrigation District

This district is the former "Brooks Area" of the C.P.R. irrigation land bloc in Alberta. The company constructed the irrigation facilities in this area between 1904-1914 and met the annual operational deficits. In 1935, the district came into being when the C.P.R. turned over the land and capital facilities to the farmers of the area together with a lump sum capital grant of \$300,000. Since that date, Canada has periodically advanced monies to the district (see P.C. 2559, October 18, 1937) to refurbish existing facilities. The need to engage in

a major renewal and enlargement of water storage facilities which was beyond the financial capacity of the district has led Canada, Alberta, and the district to share equally the cost of construction of the Kitsim Diversion Cut-off. By P.C. 1959-1/892, dated July 7, 1959, as amended by P.C. 1960-2/1460, dated October 20, 1960, Canada is to contribute to the Eastern Irrigation District one-third of the cost (including the cost of engineering services) of constructing the cut-off which is estimated at \$480,000.

The federal contribution amounted in 1959-60 to \$35,793, and in 1960-61 to \$83,449.

## 20. *Assistance in Transportation of Fodder*

This programme is ad hoc in nature although it has been conducted intermittently over the years usually as dictated by drought conditions. In addition, the manner of administering the programme has varied. The federal government on occasions has administered it in co-operation with the railways or in co-operation with the provinces and railways or again with the provinces alone. The occasion when this programme was first initiated appears to have been in 1918 when the federal government and the railways shared the cost of freight on stock shipped from drought areas in Saskatchewan and Alberta to and from feeding grounds, on haying outfits shipped to and from areas where feed was obtainable, and on feed shipped into dry areas of these two provinces.

In recent years, programmes of this nature have been operative in Nova Scotia, Manitoba, Saskatchewan, and Alberta. The Nova Scotia programme (P.C. 1957-3/1457, November 7, 1957) involved the federal government reimbursing the province for 50% (up to a maximum of \$4 per ton) of provincial expenditures on the freight charges on hay shipped into areas of Nova Scotia affected by drought. The programme was to be in effect between August 1, 1957, and May 15, 1958. The federal expenditure in 1957-58 was \$8,715, and in 1958-59 \$13,039.

The programmes involving the Prairie Provinces during recent years are four in number and are specified below under their respective authorities.

### (a) P.C. 1958-1053, July 24, 1958

Effective as of July 1, 1958, Canada offered to share with Manitoba and Saskatchewan one-half the cost of programmes initiated by these provinces in June 1958, to prevent the liquidation of livestock due to a drought induced fodder shortage. The provinces had offered to pay freight charges for the movement of haying equipment and fodder and for the movement of livestock out of drought areas for pasture or winter feeding (see *Hansard* 1958, p. 2601 for details of provincial programmes).

The federal expenditures under this programme were:

	1958-59	1959-60	Total
Manitoba .....	\$ 36,089	\$ 20,220	\$ 56,309
Saskatchewan .....	147,534	26,756	174,290
Total .....	\$ 183,623	\$ 46,976	\$ 230,599



- (b) P.C. 1959-1377, October 27, 1959, as amended, and  
P.C. 1959-1528, December 3, 1959.

In 1959, due to the early arrival of winter and unfavourable harvest conditions in the three Prairie Provinces, the federal government agreed to share with those provinces one-half of the amount expended by them on the transportation of fodder and straw and the movement of cattle to feeding areas between October 12, 1959, and March 31, 1960.

The federal expenditures under the programme were as follows:

	1959-60	1960-61	Total
Manitoba .....	\$ 7,346	\$ 162,309	\$ 169,655
Saskatchewan .....	46,183	93,830	140,013
Alberta .....	4,826	2,478	7,304
Total .....	\$ 58,355	\$ 258,617	\$ 316,972

- (c) P.C. 1961-924, June 27, 1961

Due to the acute drought in 1961, Canada offered to contribute to the Prairie Provinces one-half of the amounts paid by those provinces in freight assistance toward the movement of fodder into the drought areas and the movement of cattle to feed, and the transportation of haying equipment from June 26, 1961, to April 30, 1962. Initially, the joint programme was to terminate as of March 31, 1962, but it was extended one month because of the continued fodder shortage and the poor road conditions during February and March, 1962.

The federal expenditures under the programme for 1961-62 were \$1,091,604 (Manitoba \$316,412, Saskatchewan \$690,149, and Alberta \$85,043).

- (d) P.C. 1962-425, March 29, 1962

To initiate a fodder bank programme for drought areas, ensure salvage of cereal crops with little grain yield prospect, and reduce expenditures under the fodder transport assistance programme, Canada, under P.C. 1961-924, offered to contribute one-half of the amount paid by the governments of the Prairie Provinces to farmers who harvested and baled cereal crops for fodder.

The maximum federal contribution was set at \$2.50 per ton and applied only on fodder offered for sale by the farmer at a price not to exceed \$20 per ton.

The federal expenditures in 1961-62 under this programme amounted to \$186,479 (Manitoba \$19,150, Saskatchewan \$162,917, and Alberta \$4,412).

## 21. Assistance in Transportation of Seed Grain

As a result of crop failures in Western Canada in 1961, many areas of Manitoba and Saskatchewan were without adequate supplies of seed oats.

The Provinces of Manitoba and Saskatchewan instituted policies of assistance on freight costs in transporting seed oats to deficient areas.

The federal government agreed in principle to contribute one-half of the cost of transportation charges on seed oats moved under freight assistance programmes developed and operated by the provinces.

Under this programme the federal and provincial governments were to share equally seventy-five per cent of the cost of such transportation up to a maximum of \$12 per ton. The minimum distance that seed could be moved and be eligible for assistance was to be twenty-five miles.

## 22. *Emergency Unharvested Crop Assistance*

This programme is ad hoc in nature but has been intermittently engaged in since the drought of the 'thirties. The administration varies, having been administered directly by the federal government or its agencies or in co-operation with the provinces.

In 1959, the programme was occasioned by the unseasonable snowfalls which prevented completion of the prairie harvest. The federal government offered (see P.C. 1960-316, March 10, 1960) to reimburse the governments of the three Prairie Provinces 50% of their assistance to farmers who had at least 50% of their crops unharvested. The federal contribution was not to exceed \$600 a farmer nor \$3 an acre on a maximum of 200 acres per farmer. The programme involved the following contributions by Canada.

	1959-60	1960-61	Total
Manitoba .....	\$ 235,109	\$ 188,847	\$ 423,956
Saskatchewan .....	2,910,657	217,886	3,128,543
Alberta .....	1,598,742	1,031,211	2,629,953
Total .....	\$ 4,744,508	\$ 1,437,944	\$ 6,182,452

## CENTENNIAL OBSERVANCE

In September 1961, Parliament passed the National Centennial Act, 1960-61, c. 60, which authorized a corporation to be known as the National Centennial Administration "to promote interest in, and to plan and implement programmes and projects relating to the Centennial of Confederation in Canada" (sec. 9 (1)). The Administration is empowered to undertake projects or programmes on its own or to engage in joint projects with, or to make grants to, any province or any organization for the observance of the Centennial of Confederation in Canada. The Act sets up a special account in the Consolidated Revenue Fund, to be known as the National Centennial Fund, into which shall be credited the amount appropriated by Parliament for the Fund.

Under the aegis of this statutory authority, federal monies may be expended on joint federal-provincial projects or grants may be made to the provinces.

### (a) *Local or Municipal Projects*

On October 5, 1961, Cabinet determined that Parliament would be asked to appropriate funds for the making of grants for local centennial projects. The total appropriation would amount to \$1 per capita of the population of each of the provinces. In the nature of things, many of these local projects would be undertaken either directly or indirectly by the municipalities. The project must be approved by the province and the province would be required to transmit the application and to make a financial contribution. The federal government would make a contribution up to one-third of the estimated cost of the project if the project was of a "lasting" nature, and would be completed for the centennial observances, and the applicant could guarantee the proper maintenance of the project following completion. The federal contribution would be reduced if the project was of a revenue-producing nature, and there would be no federal

contribution if federal aid was available for the project under another federal programme. The provinces are to forward the application to the National Centennial Administration where it will be considered on a "first come first served basis". As the National Centennial Administration had not been constituted, no contributions had been made by December 31, 1962.

(b) *Federal-Provincial Projects*

The range and scope of joint federal-provincial projects are at the moment unknown but it appears that federal participation in provincial projects will be limited to those with a national aspect such as the Charlottetown Memorial to the 1864 Conference. It has been roughly estimated that the federal contributions to such joint projects may amount to \$20 million.

In the case of the Charlottetown Memorial, the federal government's contribution as determined by Cabinet in February, 1962, is to be one-half of the cost of constructing the Memorial but shall not exceed a total of \$2.8 million. This joint project of Canada and the provinces was first raised in the Dominion-Provincial Fiscal Conference, February 1961. The suggestion that all provinces, the federal government, and the general public should contribute towards the construction of a suitable memorial to commemorate the Charlottetown Conference of 1864 was favourably received. The Second Premiers' Conference held at Charlottetown on August 14 and 15, 1961, further discussed the matter and there was an informal understanding that the federal government and the provinces would each provide half the cost of the construction of the building and that industry and the public would provide the furnishings. The provincial half share of the construction costs would be contributed by each province in proportion to their respective populations.

## CITIZENSHIP AND IMMIGRATION

### 1. *Establishment of Immigrants in Canada*

The federal government is responsible for immigration to Canada and has for many years carried out a positive programme. The costs of recruitment, selection, reception, placement, etc., are borne federally. An important factor in the attraction to and successful establishment in Canada of immigrants is their protection during periods when through no fault of their own they are indigent and are not eligible for health and welfare benefits available to other residents of Canada.

The genesis of the current shared-cost programme arose out of P.C. 2180 of June 6, 1947, which authorized the admission into Canada of 5,000 displaced persons. This Order-in-Council was repeatedly amended to increase the numbers admitted. These immigrants had their passage to Canada paid by the International Refugee Organization, and their passage from the port of debarkation to their place of employment by the federal government if they were agricultural or domestic workers, and by their future employer in all other cases; the displaced person contracting to remain with his initial employer for a period of one year.

Because the provinces and municipalities refused to bear the cost of medical aid and hospitalization for displaced persons, the federal Department of Labour was authorized by P.C. 5050 of December 30, 1947, to pay such costs for the first six months of a displaced person's residence in Canada until such time as



the Department was able to enter into agreements with the provinces to share such costs equally for the first twelve months of a displaced person's residence in Canada.

Under the authority of the above Order-in-Council, the Department of Labour was able to enter into agreements with six provinces (Prince Edward Island, Quebec, Ontario, Manitoba, Saskatchewan, and British Columbia), but the definition of immigrant was extended beyond displaced persons to include all immigrants who came to Canada unsponsored by a relative. The federal and provincial governments agreed to share equally the costs of hospitalization, including care in T.B. sanatoria and mental hospitals, of indigent immigrants for a twelve-month period following their entry into Canada. The provinces were to bill Canada for its share and to rebate to Canada 50% of any sums collected from the immigrants. The agreements became effective April 1, 1948. These original agreements were modified in 1949 by P.C. 4256, dated August 24, 1949. The 1949 modification extended the federal-provincial sharing of hospitalization costs to cover not merely the immigrant, but dependent relatives of the immigrant.

In 1952 (P.C. 1123, February 29, 1952), the Department of Citizenship and Immigration undertook to conclude Hospital-Welfare agreements with the provinces to supersede the previous agreements which had been negotiated by the Department of Labour. The first agreement entered into was with Ontario, which agreement, effective April 1, 1951, extended the cost-sharing to include welfare assistance as well as hospitalization to indigent immigrants. The period of coverage was also extended. While the two governments continued to agree to share such costs equally for a maximum period of 12 months, the 12-month period was to be dated not from the date of the immigrant's entry into Canada, but from the date of illness or indigency, if that date occurred within 12 months of the immigrant's entry into Canada. The other provinces entered into similar agreements at later dates; British Columbia in 1952, Saskatchewan, Alberta, Manitoba, and Newfoundland in 1953. Nova Scotia entered into a new agreement in 1953, but it covered only hospitalization and not welfare assistance. Quebec and Prince Edward Island continued to operate under the original agreements whose administration remained with the Department of Labour until transferred to the Immigration Branch on April 1, 1960.

	1959-60	1960-61	1961-62
Newfoundland .....	\$ —	\$ —	\$ —
Prince Edward Island .....	—	—	—
Nova Scotia .....	201	—	—
New Brunswick <sup>1</sup> .....	—	—	—
Quebec .....	—	311	53
Ontario .....	88,666	73,137	50,751
Manitoba .....	1,603	—	—
Saskatchewan .....	5,563	1,207	166
Alberta .....	45	—	—
British Columbia .....	3,231	6,079	11,181
Total .....	\$ 99,309	\$ 80,734	\$ 62,151

<sup>1</sup> New Brunswick has not entered into an agreement.

Beginning with Ontario in 1959, all provinces, except Quebec and Manitoba, have agreed to accept sole responsibility for the welfare of immigrants by bringing them under their general social assistance programmes. The costs are shared by the federal government under the Unemployment Assistance Act administered by the Department of National Health and Welfare.

The federal expenditures under this share-cost programme for the last three years are as shown in the above table.

## 2. *Instruction for Immigrants*

In 1954, the Department of Citizenship and Immigration completed agreements with nine provinces (Quebec excepted) to pay 50% of certain provincial expenditures on citizenship instruction to immigrants. Citizenship instruction was defined as "the teaching of the English or French language, and of the elementary facts about Canadian institutions and ways of life to newcomers for the purpose of facilitating their adjustment and integration into the Canadian community and of qualifying them for Canadian citizenship". The costs were shareable from January 1, 1953, until such time as the federal or provincial governments signified their intentions to terminate the programme. The shareable costs included:

- (a) the salaries or remuneration paid to teachers, instructors, and principals for their contribution to the immediate carrying out of citizenship instruction,
- (b) registration fees paid on behalf of newcomers who, in their first year of residence in Canada, are deemed, to the satisfaction of the provincial government concerned, to be indigent at the time of registration for citizenship instruction. (This clause became effective in 1957).

The costs of the programme to the federal government for the last three fiscal years were

	1959-60	1960-61	1961-62
Newfoundland .....	\$ —	\$ —	\$ —
Prince Edward Island .....	70	—	135
Nova Scotia .....	2,846	1,565	1,524
New Brunswick .....	108	—	—
Quebec .....	—	—	—
Ontario .....	198,067	183,828	192,940
Manitoba .....	12,277	12,120	10,086
Saskatchewan .....	9,553	10,496	12,384
Alberta .....	4,290	2,491	2,091
British Columbia .....	11,753	12,266	13,835
Total .....	\$ 238,964	\$ 222,766	\$ 232,995

## 3. *Fur Conservation*

In the latter part of the 1930's, Canada entered into several agreements with Manitoba and Saskatchewan for the conservation and management of wildlife resources. Developmental work under these agreements consisted mainly of muskrat rehabilitation projects in marshland areas, the main feature of which was the construction of water control features such as dams, dykes and canals designed to improve habitat.

In 1945, following a joint field examination, Canada and Manitoba entered into an agreement covering all of the province north of 53° north latitude, under which, with due consideration for the advice of a three-man advisory committee, a program of development management and cropping of fur-bearing animals was undertaken. This agreement set the pattern for the later agreements with Manitoba, Saskatchewan and Ontario in that order.

The agreements now in effect are as follows:

(a) *Manitoba—August 22, 1949*

For a period of seven years—being the unexpired term of the original agreement—Canada agreed to reimburse Manitoba for 60% of its expenditures, the federal share not to exceed \$60,000 in any one year, and, for a further period of 10 years, to pay that proportion of net expenditures in management and conservation in the same ratio as the number of trapping licences issued to Indians bore to the total trapping licences issued in the area.

*Supplementary Agreement—January 21, 1959*

Canada agreed to share equally with the province expenditures in connection with the reconstruction of water control structures in the Summerberry Rehabilitation Block.

This agreement was suspended in January 1960, because of plans for flooding part of the area due to the hydro power development project at Grand Rapids, construction is to be resumed when the extent of flooding is known.

(b) *Saskatchewan Agreement—July 18, 1946*

For a period of ten years, Canada agreed to reimburse Saskatchewan for 60% of its expenditures, the federal share not to exceed \$40,000 and, for a further period of 10 years, to pay that proportion of net administrative expenses as was in the same ratio as the number of trapping licences issued to Indians bore to the total trapping licences issued in the area, plus (with effect from April 1, 1956) 50% of the development costs, the whole not to exceed \$40,000 annually.

(c) *Ontario—June 17, 1950*

Canada agreed to pay 50% up to an annual maximum of \$75,000 of the money expended by Ontario on the programme. This agreement expired on March 31, 1960, but the financial provisions were extended for a further two years by P.C. 1961-368 while a new ten-year agreement was considered.

A new agreement effective April 1, 1962, has been entered into with the Province of Ontario which provides for the development, management, administration and supervision of natural resource utilization projects over a ten-year period. Canada agreed to pay 50% of the cost of the programme up to a total of \$100,000. The agreement covers the development of commercial fishing, sport fishing and hunting, guiding, tourism, wild crop harvests, such as wild rice and blueberries, forestry, including the production of lumber and pulpwood, reforestation, and the training of Indians for forest fire suppression.

The federal contributions under these agreements for the fiscal year 1961-62 were \$149,253, of which Ontario received \$72,786, Manitoba \$36,467, and Saskatchewan \$40,000.



Note: There is no joint federal-provincial programme in Alberta. The province operates its own programme and Canada pays Alberta the fees chargeable for registering traplines which have been assigned Indians. The federal contribution to Alberta in fiscal year 1961-62 was \$10,759.

#### 4. Road Construction

Various cost-sharing arrangements with provincial governments are made from time to time with regard to the construction or reconstruction of roads on and leading to Indian reserves, although no formal agreements exist.

Under the Ontario Highway Improvement Act, (Ont. R.S. 1960 c. 171 s. 51(2)), municipalities may recover from the province up to 50% of the cost of approved road construction and improvement and up to 80% of the cost of a bridge or culvert. Since Indian reserves have the same status as municipalities for the purposes of the Act (s.67), the Province of Ontario shares with the Federal Government the costs of road construction on reserves.

Under such an arrangement the Department of Citizenship and Immigration was authorized by T.B.554804 dated January 7, 1960, as amended by T.B.565526 dated June 23, 1960, to contribute 50% of the cost of hard surfacing (and 20% of the cost of any bridge) a road of some 13 miles through the Six Nations Indian Reserve. Ontario was to undertake the work and be reimbursed by Canada. The project was expected to cost \$1 million and to be completed over a period of three years.

In Manitoba, informal arrangements have been negotiated from time to time between the Regional Supervisor of the Indian Affairs Branch of the Department of Citizenship and Immigration and the Manitoba Department of Public Works under which costs are shared for the construction of specific roads and bridges.

In Saskatchewan, following the inauguration in 1957 of a ten year programme of provincial contributions to municipal roads forming a 'grid system', through the agency of the Municipal Road Assistance Authority of the Department of Municipal Affairs, the Indian Affairs Branch of the Department of Citizenship and Immigration was authorized to participate, to the extent of 50% of the cost where roads forming part of the 'grid system' traverse Indian reserves. The amount of \$55,280 paid to the Government of Saskatchewan in 1961-62 represented the federal share under this arrangement.

Access roads to reserves in northern Saskatchewan are sometimes subsidized by the Saskatchewan Department of Natural Resources to the extent of 50 per cent of cost.

The British Columbia Department of Highways occasionally enters into a cost-sharing agreement with respect to roads leading to Indian reservations. The current agreement (authorized by T.B.592500 dated Feb. 13, 1962) under which the federal and provincial Governments have undertaken to share equally the cost of constructing a road from the town of Kitimat to Kitimaat Indian Reserve is an example. The British Columbia Department of Highways is to construct 3 miles of new road and reconstruct 1.5 miles of existing road to connect the town and the reservation. The project is estimated to cost \$225,000 and to require two years to complete. British Columbia is to undertake the construction and be reimbursed by Canada. The road will be maintained by the province on completion.

### 5. Schools for Indian Children

The general policy has long been that where school facilities are constructed or operated by local school boards or provincial Departments of Education for the education of Indian children, the Government of Canada through the Indian Affairs Branch of the Department of Citizenship and Immigration makes a capital or operational grant to the school board or provincial Department. Where the provision and operation of the facilities serve both Indian and non-Indian children, the cost is divided on a pro rata basis.

The adoption in the late 'forties of a policy of integrating Indian children into the provincial education system, has increased substantially the number of agreements that the Indian Affairs Branch has entered into with local school boards, etc., for the education of Indian children in joint schools. As a consequence the federal capital contributions as well as operational contributions to joint schools have been growing. The capital contributions towards joint schools amounted to \$691,592 in 1959-60, to \$1,230,136 in 1960-61 and to \$1,913,500 in 1961-62. The following table indicates the number of school boards, etc., by province to which capital contributions were made.

	1959-60	1960-61	1961-62
Quebec .....	\$ —	(2) \$ 186,363	(2) \$ 158,389
Ontario .....	(3) 111,739	(5) 232,308	(8) 423,158
Manitoba .....	—	(1) 56,796	(5) 223,777
Saskatchewan .....	(4) 345,011	(4) 180,049	(4) 218,790
Alberta .....	—	(6) 103,212	(6) 648,968
British Columbia .....	(4) 234,842	(2) 471,408	(3) 240,418
Total .....	\$ 691,592	\$ 1,230,136	\$ 1,913,500

The federal contribution towards the tuition fees of Indian students attending non-Indian elementary schools, high schools and colleges amounted to \$1,669,707 in 1961-62.

The situation is somewhat different in Newfoundland. There are a number of people in that province of Indian origin and for whom the federal government has felt some responsibility although they are not registered as Indians in accordance with the Indian Act. For this reason, certain assistance has been given to the Newfoundland government on behalf of these people including a payment of \$73,081 in 1958-59 for the erection of a school at Northwest River to serve a group of children in this category.

### 6. Welfare for Indians

As a further step in the policy of integration the Department of Citizenship and Immigration was authorized by T. B. 547716 dated March 17, 1960, to negotiate agreements with provincial governments to extend provincial social welfare services to persons (Indian and non-Indian) residing on Indian reserves or in Indian communities.

Under this authority the Department and the provinces have entered into a number of agreements relating to public welfare, child welfare and community development programmes.



In the field of public welfare, T.B. 570574, dated December 16, 1960, authorized the Department to cover 50% of an Indian band's share of welfare costs under the Ontario General Welfare Assistance Act.

Agreements for the extension of child welfare services exist in several provinces under the following authorities:

- T.B. 587568—December 7, 1961—Children's Aid Societies of Western Manitoba—Department's annual maximum—\$10,000;
- T.B. 593308—March 8, 1962—Children's Aid Societies in Ontario—Department's contribution based on a Society's time units devoted to Indians;
- T.B. 591072—March 1, 1962—\$7,500 annual maximum and maintenance by Department on behalf of Indian children in Nova Scotia;
- T.B. 577872—June 22, 1961—\$10,000 annual maximum to meet administrative costs of services to Indian children in the Yukon Territory.

Costs of community liaison and community development programmes are being shared in Manitoba and Saskatchewan under T.B. 573531—January 26, 1961—to a maximum of \$50,000 for Manitoba Indians and Metis, and T.B. 598158—July 12, 1962—to \$5,750 annual maximum for a liaison officer at Kamsack, Saskatchewan. The Department assists in the maintenance of the Skookum Jim Memorial Hall, Whitehorse, under Treasury Board authority dated December 27, 1961, in the amount of \$1,200 annually.

In British Columbia two agreements providing the services of a social worker in the Prince Rupert and Smithers areas were authorized by T.B. 567458—July 21, 1960—the Department's annual maximum assistance to be \$6,500, and T.B. 588730—January 18, 1962—\$5,160 annual maximum of Departmental assistance.

## CIVIL DEFENCE

In 1948, because of increasing international tension, the federal government reconstituted in the Department of National Defence the nucleus of a civil defence planning organization under a civil defence co-ordinator with whom was associated in 1949, a co-ordinating committee of representatives from interested federal departments and agencies. As a result of study, it was realized that the main operational responsibility for civil defence must fall on the municipalities and that the role of the federal and provincial governments would be largely overall planning organization and the co-ordination and supplementing of local effort. The outbreak of the Korean War in June 1950, led to the calling of a federal-provincial conference on civil defence and the establishment of a federal-provincial advisory committee in August 1950, to organize and plan a civil defence programme. As a result of the deliberation of this committee, the federal responsibilities were determined and responsibility for civil defence was transferred to the Department of National Health and Welfare in February 1951.



In April 1952, the federal government offered to assist the provinces financially in developing and strengthening their civil defence organizations. It offered to pay 50 per cent of provincial costs, with a maximum federal contribution per province set at 8 cents per capita (1951 census) plus an additional 6 cents per capita in areas designated by the Civil Defence Co-ordinator as target areas. The federal government also offered to share one-third of the cost of standardization of hose coupling and to enter into agreements with the provinces to share equally the cost of workmen's compensation paid to civil defence workers. All provinces but Quebec and Prince Edward Island subsequently signed agreements with Canada to share equally the cost of workmen's compensation paid to such workers.

In 1954, the Civil Defence Grants were increased to a maximum per province of 11 cents per capita (1951 census) plus an additional 9 cents per capita of population in areas designated as target areas and the sharing formula was changed and extended to include expenditures made by municipalities. The federal government agreed to pay to a province or municipal civil defence organization:

- (a) 25 per cent of the total cost plus an additional amount equivalent to the provincial contribution but not exceeding 50 per cent of the total on projects of the following nature—
  - (i) organization and administration,
  - (ii) training, training equipment and expenditure for training exercises,
  - (iii) purchase of operational equipment for which there is normally no peacetime use, and
  - (iv) construction of civil defence control centres;
- (b) an amount equivalent to the provincial expenditure save the federal contribution was not to exceed 50 per cent of total amount expended on projects such as—
  - (v) operational equipment having a peacetime use, and
  - (vi) purchase of clothing, including uniforms.

Since 1954, there have been minor changes in the above cost-sharing formula; in 1955, the federal contribution toward purchase of clothing was to be on the basis of (a) above; in 1956, the federal government offered to share directly with municipalities the cost of projects (on the same basis as above) where a province indicated it did not wish to avail itself of the programme and had no objection to its municipalities initiating any of the above type of projects, and the definition of construction to which the federal government would contribute was widened; in 1957, the programme was extended to the Territories; and in 1958, the cost-sharing formula was changed, the federal government agreeing to pay 50 per cent of the total expenditure on all projects, other than where operational equipment having a peacetime use was involved, in which the federal contribution was to be limited to the amount actually expended by the province.

The federal contributions by province from the commencement of the general programme and of the hose coupling programme to March 31, 1959, are listed below:

	to March 31, 1959	
	General Programme	Hose Coupling
Newfoundland .....	\$ 132,523	\$ —
Prince Edward Island .....	816	—
Nova Scotia .....	165,762	—
New Brunswick .....	117,735	—
Quebec .....	7,362	—
Ontario .....	1,459,393	367,000
Manitoba .....	229,336	—
Saskatchewan .....	286,102	—
Alberta .....	795,630	60,000
British Columbia .....	1,192,305	92,000
Northwest Territories .....	—	—
Yukon .....	—	—
Total .....	\$ 4,384,964	\$ 519,000

The above relates to the operation of civil defence up to the end of the fiscal year 1958-59. During that year, Lt. General Howard D. Graham, former Chief of Staff of the Canadian Army, was appointed to undertake on behalf of the Government of Canada a comprehensive survey of all aspects of Canada's civil defence policy and programme. This survey, which got under way in June 1958, was submitted to the Government before the end of that calendar year. In March 1959, the Prime Minister stated in the House of Commons that in the light of the Graham Report and further studies by military and civilian officers, the federal government had reviewed the arrangement of responsibility for civil defence and had decided to carry out a reorganization of the programme.

In essence, the federal government decided, after considering all the relevant factors, to undertake a major rearrangement of the federal civil defence functions and to offer to assume directly certain responsibilities previously carried out by the provinces and municipalities.

In addition, the federal government decided to assume 75 per cent of the cost of approved provincial and municipal civil defence projects instead of the previous 50 per cent; except in the case of projects which included the purchase of equipment with a peacetime use where the federal contribution was to be limited to the amount actually expended by the province. It also agreed that the cost of workmen's compensation paid to civil defence workers under agreements entered into by the federal government and the provinces, would be reimbursed to the provinces at the new rate of 75 per cent federal and 25 per cent provincial.

The federal plan of reorganization was based on two main principles:

- that civil defence should be considered a function or activity of government rather than an organization as such;
- that the civil defence function should be divided into clearly defined tasks and assigned to levels of government (and at each level to those departments and agencies) best able to undertake and discharge them.

A Dominion-Provincial Conference on Civil Defence Arrangements was held in April 1959, to consider the federal proposals. It was unanimously agreed

at this Conference that the federal aspects of the reorganization should be put into effect as soon as possible, but that the provincial aspects should be left open for further discussion at a later date. Consequently, a second Dominion-Provincial Conference on Civil Defence Arrangements was held in October 1959. On this occasion all provincial representatives agreed to recommend to their respective governments that the proposed provincial responsibilities for civil defence should be formally accepted, on the understanding that specific problems arising from these responsibilities could be reassessed and, if necessary, amended after a period of trial. Since the above Conference, the majority of the provinces have formally accepted their modified civil defence responsibilities.

The rearrangement of federal civil defence functions became effective on September 1, 1959, through Order-in-Council P.C. 1959-656. This arrangement may be summarized as follows:

- (a) The Department of National Defence (and within that Department, the Army) was given a primary role in survival operations and was made responsible for a substantial number of civil defence functions which are technical in character or which could be performed effectively in the aftermath of a nuclear attack only by trained, disciplined and organized forces; namely, provision of a system whereby the public may be warned of likely attack and radiation fallout; direction and control of all forces, civilian and military, engaged in re-entry into areas damaged by nuclear detonations; and assistance to the police forces.
- (b) The Department of National Health and Welfare (which formerly had the major responsibility for civil defence) was relieved of these technical and operational responsibilities and was left to concentrate its attention mainly on advising and assisting provincial authorities with respect to the provision of emergency health and welfare services. In addition, the Department remains responsible for the operation and management of the Canadian Civil Defence College at Arnprior.
- (c) The Royal Canadian Mounted Police was made responsible for providing advice and assistance to provinces concerning the preservation of law and order and the control of road traffic under emergency conditions.
- (d) The Emergency Measures Organization, within the Privy Council Office (in addition to its original tasks relating to the continuity of government), was made responsible for:
  - (i) co-ordination of planning in the various areas of civil defence responsibility assigned to other departments and agencies of the federal government;
  - (ii) primary planning responsibility for tasks previously grouped under the designation "civil defence" and not now specifically assigned to some other department or agency;
  - (iii) general liaison with the provinces and the provision of advice and assistance to the provincial authorities on matters that are not specifically the responsibility of other federal agencies.



The following are the new civil defence responsibilities of the provincial authorities, with such federal assistance as may prove necessary;

- (a) *Preservation of law and order* and prevention of panic by the use of their own police, municipal police, and special constables, with whatever support is necessary and feasible from the Armed Services at provincial request.
- (b) *Control of road traffic*, except in areas damaged or covered by heavy fallout, including special measures to assist in the emergency movement of people from areas likely to be attacked or affected by heavy fallout.
- (c) *Reception services*, including arrangements for providing accommodation, emergency feeding and other emergency supplies and welfare services for people who have lost or left their homes or who require assistance because of the breakdown of normal assistance.
- (d) Organization and control of *medical services*, hospitals, and public health measures.
- (e) Maintenance, clearance and repair of *highways*.
- (f) Organization of municipal and other services for the maintenance and repair of *water and sewage* systems.
- (g) Organization of municipal and other *firefighting* services, and control over and direction of these services in wartime except in damaged or heavy fallout areas, where firefighting services would be under the direction of the Army as part of the re-entry operation.
- (h) Maintenance and repair of *electrical utilities*, and the allocation of the use of electricity to meet emergency requirements.
- (i) *Training of civilians* as civil defence workers.

In the area of financial assistance to provinces and municipalities (see T.B. 550237 July 21, 1959 as amended by T.B. 558298 December 30, 1959) the previous rate of 11 cents per capita, plus an additional nine cents in target areas, was increased to 25 cents per capita or 75 per cent of the cost of approved projects, whichever was the lesser. In order to obtain financial assistance, the provinces and/or municipalities are required to provide the cost estimate of each project submitted within the following main classifications. The first three classifications are entitled to 75 per cent federal contribution. For Classification IV, the federal contribution matches the provincial contribution.

Classification I — is used to itemize proposed expenditures of a basic and/or expendible nature for organization, administration, and training (including training exercises) purposes.

Classification II — is used to identify equipment and clothing required for administration, training, and operations for which there is normally no peacetime use other than for civil defence.

Classification III — is used to identify proposed expenditures for the construction of and alterations to buildings for civil defence and related purposes.

Classification IV — is used to identify operation equipment having a peacetime use, e.g., firefighting equipment, fire pumpers and other motorized equipment, some types of communication facilities, etc.

The federal contributions to the provinces and municipalities for the three fiscal years during which the reorganized programme has been in effect is as follows:

	1959-60	1960-61	1961-62	Total
Newfoundland .....	\$ 19,020	\$ 46,152	\$ 29,321	\$ 94,493
Prince Edward Island .....	5,979	14,114	16,716	36,809
Nova Scotia .....	91,766	150,429	182,335	424,530
New Brunswick .....	69,990	93,361	145,252	308,603
Quebec .....	104,576	—	426,401	530,977
Ontario .....	585,909	797,705	1,010,285	2,393,899
Manitoba .....	91,405	124,436	151,165	367,006
Saskatchewan .....	71,325	131,592	109,152	312,069
Alberta .....	278,152	405,050	442,478	1,125,680
British Columbia .....	350,000	482,515	565,846	1,398,361
Total .....	\$1,668,122	\$2,245,354	\$3,078,951	\$6,992,427

## FISHERIES

### 1. *Construction Subsidy for New Fishing Vessels*

In an effort to revitalize the Atlantic fishing industry, to raise the income of fishermen, and to meet the highly capitalized European competition on the North American fishing banks, the federal government determined in co-operation with the provinces to assist the Atlantic fishermen acquire modern boats and equipment. Under the authority of P.C. 1919 (May 22, 1947), as amended by P.C. 2490 (May 24, 1951) and P.C. 1961-1333 (September 19, 1961) the federal government entered into agreements with the Fishermen's Loan Boards of the four Atlantic Provinces and of the Quebec Department of Fisheries. The federal Department of Fisheries offered to pay a subsidy not exceeding \$250 per gross ton towards the construction of new fishing vessels having a minimum length of 45 feet and, as determined by the Minister, a maximum length of 100 feet. The federal government specified that the vessels subsidized are for a period of five years to be owner-operated and to be actively engaged in the fisheries. The provincial Fishermen's Loan Board undertook to administer the federal subsidy and to assist also in the provision of capital. All provinces provide loans with or without interest to assist in the construction of boats of the above type, and one, Newfoundland, has since 1955 paid a subsidy of \$160 per gross ton to fishing vessels built in Newfoundland to the stipulated specifications.

Although the federal government has been paying bounties annually since 1882 (45 Vic. c. 18) to aid in the development of the sea fisheries of Canada through the building and fitting out of improved fishing vessels and the improvement of the conditions of fishermen, the genesis of the above shared-cost programme is to be found in (a) the wartime subsidy to the builders of packer-seiners on the Pacific coast (P.C. 2798, April 10, 1942) and of draggers on the Atlantic coast (P.C. 7580, August 26, 1942), and (b) the limited utility of the Canadian Fishermen's Loan Act, 1935, (25-26 Geo. V, c. 52). The wartime subsidy to aid the construction of more modern fishing vessels was undertaken under authority of the War Measures Act to increase the fishing catch in face

of the declining manpower, and was terminated on the conclusion of the war (P.C. 1646, April 26, 1946). The Canadian Fishermen's Loan Act, which had empowered the Canadian Farm Loan Board to issue loans to fishermen, had proved of limited usefulness, because the legislation required the loans to be secured by mortgages on lands owned by the fishermen.

The limited usefulness of the Canadian Fishermen's Loans Act having led several provinces to establish provincial lending facilities for fishermen, the federal government, when it revived its wartime programme of subsidizing new construction, decided to work through the provincial loan agencies. The federal government offered to give the same subsidy (\$165 per gross ton) as it had done under its wartime programme to new construction which qualified for loans under the provincial Fishermen's Loan Boards. In the case of Quebec, the federal subsidy is paid not to a provincial loan board, but directly to the Quebec Department of Fisheries which administers the programme in that province.

The federal contributions by province since the inauguration of the programme in 1947 are specified below.

	to March 31, 1961	1961-62
Newfoundland .....	\$ 221,019	\$ 66,157
Prince Edward Island .....	199,391	28,731
Nova Scotia .....	1,311,358	97,159
New Brunswick .....	647,283	110,084
Quebec .....	559,160	—
Total .....	\$ 2,938,211	\$ 302,131

## 2. *Income Sustenance Works Programme (Newfoundland Fishing Settlements)*

In 1961 the failure of the cod fishery substantially reduced the income of the inshore fishermen in Newfoundland. Following a request from the Newfoundland Federation of Fishermen for a works programme to relieve winter distress in the inshore fishing communities on the east and northeast coasts of Newfoundland and southern Labrador, the Department of Fisheries investigated and held discussions with the Federation and with the Government of Newfoundland. The discussions resulted in an agreement with the province that a special works programme should be undertaken in those settlements. The programme was to be administered by the province and the province was to contribute 25% of the labour cost of the programme with the federal government bearing the remaining costs. The provincial contribution was estimated to approximate one-seventh of the overall cost of the programme. The programme was to terminate on March 31, 1962. The majority of the local works undertaken involved the construction or reconstruction of roads. Canada's contribution to the programme amounted in fiscal 1961-62 to \$266,632.

## 3. *Industrial Development*

Recognizing the need for modernization and improved technology in all phases of the fishing industry, the federal government has since 1950 provided, in departmental estimates, funds for industrial development. Under this policy



and beginning in 1959-60 arrangements have been made with some provincial governments providing for the sharing of the cost of programmes involving approved projects of a developmental nature. These arrangements have been of two kinds:

- (a) those involving joint participation on an equal sharing basis
- (b) federal contributions on some other basis by mutual agreement.

Projects finding federal approval under these arrangements range over the field of applied technology and include engineering and technological development of fishing vessels and fishing gear, processing and storage plants and machinery, new processes and products, and demonstration and training in fishing methods and techniques.

Expenditures for Industrial Development Programmes under  
Federal-Provincial "Shared-cost" Arrangements

<i>Type of Arrangement</i>	1959-60	1960-61	1961-62
Newfoundland			
— Equal Share .....	\$ —	\$ 20,000	\$ 26,176
— Other .....	—	—	—
Prince Edward Island			
— Equal Share .....	—	9,500	8,000
Nova Scotia			
— Equal Share .....	7,000	13,500	8,699
— Other .....	8,739	1,261	2,000
New Brunswick			
— Equal Share .....	—	14,500	8,869
Total .....	\$ 15,739	\$ 58,761	\$ 53,744

### FITNESS AND AMATEUR SPORT

While the immediate genesis of the current fitness and amateur sport programme was the remarks made by the Duke of Edinburgh in an address to the Canadian Medical Association on June 30, 1959, there had been a prior federal-provincial shared-cost programme in effect for a period of some ten years, from 1943-44 to 1954-55. This programme (see R.S.C. 1952, c. 190) had authorized the Minister of National Health and Welfare and his predecessor, the Minister of Pensions and National Health, to enter into agreements with the provinces under which the federal government would financially assist the provinces up to a maximum of \$225,000 per year (\$232,000 after Newfoundland entered Confederation) in developing a physical fitness programme. The federal contribution to each province was limited to 50% of the provincial expenditure on the programme, but in no case was the federal contribution per province in any one year to exceed an amount equivalent to \$225,000 apportioned by province on the basis of population. The programme was not received with any enthusiasm in the provinces, Newfoundland and Quebec never participated, Prince Edward Island participated for some years and then dropped out, and Ontario was slow in entering an agreement. In consequence, the programme was discontinued as of March 31, 1955, and the statutory authority repealed (see 1953-54, c. 61). During the period of the programme, Canada spent \$1,822,289, of which \$548,098 was on administration and \$1,274,191 was on

contributions to the provinces. The contributions to the individual provinces were as follows:

Newfoundland .....	\$ —	Manitoba .....	\$ 100,876
Prince Edward Island .....	12,396	Saskatchewan .....	184,529
Nova Scotia .....	112,666	Alberta .....	167,021
New Brunswick .....	58,215	British Columbia .....	185,924
Quebec .....	—	Northwest Territories .....	1,965
Ontario .....	450,599	Yukon .....	—

The programme as reconstituted (1961 c. 59) is to encourage, promote, and develop fitness and amateur sport in Canada and in furtherance of that object assistance may be provided to promote Canadian participation in national and international amateur sport, to train coaches, etc., to provide bursaries and fellowships for such training, to provide suitable recognition of such achievements, to assist and co-operate with other bodies with the same objectives, to promote research, etc. In furtherance of these objectives the Act authorizes expenditures up to a maximum of \$5 million a year and the establishment of a National Advisory Council on Fitness and Amateur Sport to advise the Minister. The Act enables the Federal Government to promote fitness and amateur sport directly by giving grants to organizations or institutions or indirectly by sharing the costs of provincial programmes.

Under the authority of P.C. 1962-452 of March 29, 1962, an amount of \$250,000 was approved for distribution to the provinces, to assist them in planning a programme and organization in the field of fitness and amateur sport. The federal monies were allotted on the basis of \$15,000 to each province and the remainder on the basis of population. Pending the receipt of the provincial reports on their planning programme, P.C. 1962-1324 of September 19, 1962, authorized a further \$250,000 for distribution to the provinces, subject to the provinces entering into an agreement. The amount was to be distributed on the same basis as the previous allocation. The last \$250,000 was to reimburse the provinces for the cost of such programmes or projects as the province might implement during 1962-63, including the amount spent thereon by an agency with the approval of a province as well as the amount of any National Fitness Scholarship or National Fitness Bursary. In both cases the federal contribution was non-matching and was only to be available for the 1962-63 fiscal year.

With respect to the scholarship and bursary programme, a schedule to the agreement specified that the scholarships were to be awarded on the basis of scholastic attainment to students entering the first year of a degree or diploma course in physical education and were not to exceed \$500 each and that bursaries were to be awarded on the basis of need to students of satisfactory educational standing who were in a degree or diploma course in physical education and should not exceed \$500. A scholarship recipient might be awarded a bursary. The province was to select the recipients of bursaries and scholarships but the Federal Government was to award them.

All provinces but Quebec have applied for their planning allotment under P.C. 1946-452, and three provinces, Prince Edward Island, Ontario, and Saskatchewan have already entered into agreements under P.C. 1962-1324. It is anticipated that the surveys undertaken under the planning and programme grant will allow programmes to be devised which will permit agreements of several years' duration—the Act specifies a maximum of six years—to be entered into for 1963-64 and subsequent years.

## FOREST CONSERVATION

### *A. Agreements entered into under the authority of the Department of Forestry ... Act, 8-9 Eliz. II, c. 41, 1960*

Federal aid to provincially administered forestry projects began in 1939 under the National Forestry Programme, a youth training scheme. When this scheme was cut short by the war, an arrangement was made with British Columbia to use alternative service workers for forest work and fire protection. In 1943, the Sub-Committee on Conservation and Development of Natural Resources of the Advisory Committee on Reconstruction recommended the enactment of a Dominion Forest Act which would enable the federal government to financially assist the provinces with forest fire protection, insect control, etc. In 1949, the authority was provided by the Canada Forestry Act.

Under the Canada Forestry Act agreements were entered into with most of the provinces. Under these agreements forest inventory, reforestation, forest fire protection and forest access road programmes were undertaken. These programmes were not all commenced at the same time and they were authorized by separate agreements. When the Department of Forestry was established in 1960, the Act (8-9 Eliz. II c. 41, 1960) establishing the department conferred on the newly created Minister of Forestry the duties and responsibilities that had under the Canada Forestry Act been the responsibility of the Minister of Northern Affairs and National Resources; that is, the Minister of Forestry was empowered with the approval of the Governor in Council to enter into agreements with the government of any province or with any person for forest protection and management or forest utilization, for the conduct of research related thereto, or for forestry publicity or education. The Canada Forestry Act was repealed on the day (October 1, 1960) that the new statute came into effect. The federal-provincial agreements under the old legislation, which in most cases were to terminate as of March 31, 1961, were in 1961 extended for a further year to March 31, 1962 at which time they were replaced by a composite agreement under the new legislation.

Before proceeding to a discussion of the new composite agreement with the provinces, the following remarks concerning the former agreements seem in order.

#### *a. Forest Inventory and Reforestation Agreements.*

In 1951 the federal government, with a view to encourage and assist the provinces in establishing management of their forests on a sustained yield basis, offered to any province that entered into an agreement to: (1) pay one-half of the cost to the provinces of completing and maintaining their forest inventories in accordance with specified standards for the five-year period 1951-56; (2) pay \$10 for each unit (one thousand trees) reforested by planting and \$1 for each unit (one acre) reforested by seeding provided the province's own share of the planting and seeding programme was for any year maintained at or above the average level of the preceding three years; and (3) pay one-fifth of the cost to the province for establishing and operating new forest nurseries.



In 1956, the above agreements were extended (P.C. 1956-15/1415 dated September 20, 1956 and P.C. 1958-23/244 dated February 13, 1958) for a further five-year period to expire March 31, 1961 at which time they were extended (P.C. 1961-10/858 dated June 15, 1961) a further year to March 1962. Under the initial extension the provinces were required to complete their forest inventory within two years, and Canada agreed to pay 50% of the cost of the preparation of the inventory and 50% of the cost of its maintenance over the period of the agreement. The reforestation costs were continued as under the first agreement.

Seven provinces, Newfoundland, Prince Edward Island, and Quebec excepted, entered into such an agreement. Prince Edward Island, while prepared to enter an agreement, had found the specification that the joint reforestation programme was to be limited to the reforestation of unoccupied Crown land unsuitable to the conditions prevailing in that province. In consequence a special agreement was prepared for and entered into by Prince Edward Island under which a joint programme to reforest waste land unsuitable for the production of agricultural crops was undertaken. The agreement with Prince Edward Island was first entered into in 1952, renewed for a five-year term in 1956 and extended for a further year in 1961. The federal government was to pay one-half of the cost of an approved programme for the reforestation of waste lands.

Under the agreements as of March 1961 inventories covering a gross area of 1,129,000 square miles had been compiled by the participating provinces and the federal government had contributed to the planting of 122,635,000 trees, the seeding of 8,777 acres and the cost of 15 new nurseries.

#### b. Forest Fire Protection Agreements

In 1957 Canada entered into forest fire protection agreements with nine provinces (Quebec entered in 1960) for a period of five years (see P.C. 1957-31/691 of May 20, 1957). Canada agreed to pay 50% of the costs of the acquisition of equipment, and construction of certain improvements necessary to prevent, detect and suppress forest fires and the communication and transport services necessary thereto. Costs of such items included above are: permanent fire breaks, lookout towers, educational equipment, telephone lines, radios, trucks, boats, chartering of aircraft, etc., and 25% of the cost of construction of forest access roads, trails, bridges, dams, etc., necessary for forest fire protection.

Projects undertaken and expenditures made by provinces under these agreements may include projects undertaken and expenditure made by forest protection associations engaged in forest fire protection wherever such an association forms part of the statutory forest fire protection organization of the province. The province must submit claims for each association, and remit to the association the federal share of the expenditure.

The agreement set the maximum federal contribution for each year of the agreement; \$500,000 for 1957-58, \$750,000 for 1958-59, and \$1,250,000 for each of the subsequent years. The agreement set forth the formula to determine the maximum share of the total allotted to each province in any year. The formula decreed a maximum of \$5,000 to Prince Edward Island for any year, and a maximum to each of the remaining participating provinces composed of a sum equivalent to 2 per cent of the total federal contribution for the year

together with a share of the remainder determined by a table of percentages made up of the arithmetic mean of

- (a) the relation of a province's average expenditure on forest fire protection over a three-year period, exclusive of extra fire-fighting costs, to the average expenditure of all provinces for similar purposes and for a similar period, and
- (b) the relation of a province's forested area to the forested area of all provinces where twice the weight is given to the area of productive forest as compared with non-productive forest area in determining the forest area in each case.

Each province entering an agreement was to maintain its own expenditure on forest fire protection at an amount not less than its average expenditure for the three years 1952-54.

### c. Forest Access Road Agreements

In January 1958 the federal government offered to contribute one-half of the cost of construction of forest access roads and trails by the provinces during the six months' period January 2 to June 30, 1958. While the programme was designed to facilitate forest fire protection and forest management it was initiated to alleviate unemployment. The latter aspect of the programme explained why the cost sharing has been limited to the winter months and the varying severity of the unemployment situation has determined whether the programme would or would not be renewed each year as well as determined its annual duration. The programme has been in effect during the following periods and in all but the specified provinces.

<i>Programme duration</i>	<i>Non-participants</i>
i) January 2, 1958-June 30, 1958 (P.C. 1958-13/194 Feb. 7, 1958)	} P.E.I. and Quebec
ii) November 1, 1958-June 30, 1959 (P.C. 1958-31/1740 Dec. 29, 1958)	
iii) December 1, 1960-November 30, 1961 (P.C. 1961-217 Feb. 16, 1961)	P.E.I. and Nfld.
iv) December 1, 1961-March 31, 1962 (P.C. 1961-13/1605 Nov. 9, 1961)	P.E.I. and Nfld.

Under the agreements covering the first two periods, there was no limit specified in agreements as to the total amount Canada would contribute per province or over all. Under the agreement covering the third period an upper limit of \$5 million was placed on Canada's contribution with maximum contribution per province specified. A flat \$10,000 was allotted Prince Edward Island, and the remaining \$4,990,000 was allotted among the other provinces in proportion to the ratio of their productive forested land to the total productive forested land of the nine provinces. These ratios were approximately as follows:

Newfoundland .....	3.5%	Manitoba .....	6.7%
Nova Scotia .....	1.7	Saskatchewan .....	4.7
New Brunswick .....	2.7	Alberta .....	13.1
Quebec .....	25.1	British Columbia .....	23.7
Ontario .....	18.8		

The agreement covering the fourth period was merely an amendment to the third agreement. The amendment simply extended the duration of the programme from December 1, 1960, to March 31, 1962. There was no increase in the overall federal contribution, only a revision of provincial allotments.

The federal contributions under the above three categories of agreements up to March 31, 1962, amounted to \$24,862,685. The contribution by province and by programme was as follows:

	Forest Inventory	Reforestation	Forest Fire Protection	Forest Access Roads	Total
Newfoundland .....	\$ —	\$ —	\$ 292,744	\$ 67,009	\$ 359,753
Prince Edward Island .	—	171,421	16,313	—	187,734
Nova Scotia .....	359,857	15,046	207,015	201,361	783,279
New Brunswick .....	206,862	—	281,725	216,047	704,634
Quebec .....	—	—	567,344	1,277,233	1,844,577
Ontario .....	2,506,754	1,294,343	1,287,052	2,004,453	7,092,602
Manitoba .....	409,223	92,139	339,407	784,564	1,625,333
Saskatchewan .....	389,176	42,117	393,238	699,802	1,524,333
Alberta .....	861,942	5,774	607,693	909,029	2,384,438
British Columbia .....	4,545,054	161,911	984,855	2,664,182	8,356,002
Total .....	\$ 9,278,868	\$ 1,782,751	\$ 4,977,386	\$ 8,823,680	\$24,862,685

#### d. Composite Forestry Agreements under Department of Forestry Act.

On the termination on March 31, 1962, of the individual agreements outlined above, Canada has, under authority of P.C. 1962-3/463 dated April 5, 1962, entered into a composite forestry agreement with each of the ten provinces for the two-year period April 1, 1962, to March 31, 1964. The programmes under the composite agreement are essentially the same as those offered under the former individual agreements, that is, forest inventory, reforestation, forest fire protection, forest access roads and trails. The exception has been the inclusion of an additional programme—stand improvement—and the extension of the forest access road programme to include the survey and construction of airstrips including the necessary structures for aircraft storage maintenance and servicing. Under the new programme of forest stand improvement, Canada offers to share the cost of projects which involve the removal of dead, damaged and diseased trees, the clearing out of undesirable tree species or vegetation, the pruning of trees, the thinning of forest stands and salvaging of merchantable trees, to increase the growth of the residual trees.

Under the composite agreement a province has the option of determining whether it will participate in some or all of the programmes subject to the proviso that it cannot use more than 60% of its federal fiscal allotment on projects other than forest access roads, trails, and airstrips; that is, while a province may spend 100% of its allotment on forest access roads, it cannot spend less than 40% on such roads if their full allotment is to be utilized. On an individual programme basis the federal government will contribute 50% of the cost of forest inventory, stand improvement, forest fire protection, and access road programmes and in reforestation programmes; 25% of the cost of establishing new nurseries; \$15 per unit (1,000 trees) reforested by planting; and \$4 per unit (1 acre) reforested by seeding where the ground was prepared for seeding and \$2 per unit where the ground was not prepared. As formerly, the



federal participation was limited under the reforestation and stand improvement programmes to projects carried out on provincial Crown lands or lands owned by a public authority in the province which had been placed under the province for forestry purposes. Also, as formerly under the forest fire protection and forest access road programmes, expenditures on such projects undertaken by forest protective associations where they formed part of the statutory forest fire protection organization of the provinces were shareable. Canada would continue to pay the province and the province to reimburse the association. The forest inventory programme has never been limited to provincial Crown lands.

Certain exceptions are included in the composite agreement as respects Prince Edward Island. Whereas the reforestation programme is limited to Crown lands or public lands controlled by a province, an exception is made for Prince Edward Island. The reforestation programme in Prince Edward Island is not limited to publicly owned lands; it may be carried out on any waste lands within the province. Similarly, Prince Edward Island is not required to spend at least 40% of its federal allotment on forest access roads; it may spend all of its federal allotment on any forestry programme covered by the agreement and Canada will share one-half of the cost of an Island reforestation programme in place of the cost-sharing formula applicable to the reforestation programmes of the other provinces.

The composite agreement specifies that the federal contribution under these programmes shall not exceed \$7,910,000 in any fiscal year and that it shall be distributed: a flat \$40,000 to Prince Edward Island; \$7,610,000 distributed among the remaining nine provinces in the same proportion that their productive forest land bears to the total, and the remaining \$260,000 to be distributed among those provinces whose allotment is less than what they were entitled to under the old agreement. The Minister may at the end of a fiscal year transfer the unspent allotment of one province to other provinces. The following table shows the manner in which the federal contribution is allotted among the provinces.

	Productive Forest Land (000) Acres	Provincial Percentage of Total %	General Distribution 7,610,000 x Col. 2 \$	Provincial Allotment \$
Newfoundland .....	19,523	3.4706	264,113	264,113
Prince Edward Island .....	—	—	—	40,000
Nova Scotia .....	9,668	1.7187	130,793	148,143
New Brunswick .....	15,237	2.7087	206,132	221,432
Quebec .....	140,974	25.0612	1,907,157	1,907,157
Ontario .....	106,074	18.8570	1,435,018	1,650,018
Manitoba .....	37,547	6.6748	507,952	507,952
Saskatchewan .....	26,245	4.6656	355,052	367,402
Alberta .....	73,868	13.1317	999,322	999,322
British Columbia .....	133,383	23.7117	1,804,461	1,804,461
Totals .....	562,519	100.0000	7,610,000	7,910,000

#### e. Forest Stand Improvement (Cape Breton) Programme

In order to provide employment for miners affected by the closing of a number of coal mines in Cape Breton, the Cabinet, on June 16, 1961, approved

Canada entering into an agreement with Nova Scotia to share the cost during the period July 1, 1961, to March 31, 1962, of employing ex-miners to carry out certain forest stand improvement operations in Cape Breton. Under the authority of the Department of Forestry Act and P.C. 1962-10/130 dated February 1, 1962, such an agreement was entered into. Under the agreement Canada agreed to share 80% of the cost of a Cape Breton forest stand improvement programme up to a maximum of \$280,000 in fiscal 1961-62. The programme is of a similar nature to the stand improvement programme permissible under the composite forestry agreement with all provinces. The Cape Breton agreement with Nova Scotia states specifically that projects carried out under this agreement are not eligible for a federal contribution under any other federal-provincial agreement. The federal expenditure under this programme during fiscal 1961-62 amounted to \$235,964. A further agreement to extend this programme from March 31, 1962, to March 31, 1963, was negotiated with Nova Scotia. A further \$280,000 of federal funds was made available for this programme during fiscal 1962-63.

#### *B. Other Agreements with the Provinces Concerning Forests*

##### *a. Spruce Budworm Aerial Spraying Programme*

In 1953, P.C. 1953-27/606 dated April 22, 1953, the Government of Canada entered into an agreement with the Province of New Brunswick to share with that Province the cost of a programme of aerial spraying designed to protect the forests of northern New Brunswick from destruction by the spruce budworm.

The original agreement, which was for three years, was renewed for a further three-year period in August 1955, to expire on March 31, 1959, (see P.C. 1955-34/995, dated June 30, 1955). The federal government was to contribute one-third of the cost of such aerial spraying to a total amount not exceeding \$3,000,000, the Province and the forest industry were each to contribute like amounts. By two subsequent amendments to the agreement in 1957 and 1958 respectively, authorization was given to increase the total federal contribution to an amount not in excess of \$3,850,000.

The belief that the infestation had been satisfactorily arrested led to the lapsing of the programme in 1959-60, but the resurgence of the infestation in central New Brunswick led to a revival of the programme in 1960. The agreement entered into in 1960 (P.C. 1960-29/95 dated January 28, 1960) stated that Canada would contribute one-third of the cost of the 1960 spraying programme up to a maximum of \$550,000. In 1961 (P.C. 1961-6/678 dated May 11, 1961) and again in 1962 (P.C. 1962-5/289 dated March 8, 1962) the joint programme was continued for the 1961 and 1962 spraying seasons. The limit on the federal contribution was raised by a further \$500,000 in 1961 and a further \$150,000 in 1962. The federal contributions under this programme up to March 31, 1962, amounted to \$4,723,737.

##### *b. Black-headed Budworm Aerial Spraying Programme*

In 1957, the Government of Canada entered into an agreement with British Columbia to pay one-third of the cost for the fiscal year 1957-58 of the aerial spraying of an area in northern Vancouver Island where the forests were threatened with destruction by the black-headed budworm.



The agreement limited the federal contribution to a maximum of \$100,000. The federal contribution under the programme in 1957-58 was \$83,927. The programme was not continued beyond 1957-58.

- c. The Eastern Rocky Mountain Forest Conservation Act, 1947, as amended, 1952, c. 41, and 1957, c. 23

The above legislation gave sanction to an agreement between Alberta and Canada, executed in 1947 for a period of 25 years, to conserve the forests on the eastern slope of the Rocky Mountains in order to protect the watershed of the Saskatchewan River and its tributaries, and, pursuant to the agreement, to establish a joint federal-provincial three-man Board to construct, operate and maintain the capital works, and to protect the forests from fire, insect damage, etc., necessary to ensure the greatest possible flow of water in the Saskatchewan River.

The Board (was initially composed of 2 federal and 1 provincial appointees, but after April 1, 1955, the federal-provincial ratio was reversed) determines the capital works programme and the maintenance programme for this watershed of approximately 9,000 square miles. All programmes are carried out by the province, but the federal government was to pay 100 per cent of the capital costs and a portion of the maintenance costs. The capital works were to be completed by 1955 and were not to exceed \$6,300,000. The province was to retain any revenues produced by the forest, and this proved so lucrative that in 1952 the agreement was amended to require the province to bear 100 per cent of the maintenance cost. The capital works consisted of a network of roads and fire trails, buildings for forest rangers, radio communications, lookout towers, fire-fighting equipment, and an inventory of forest and grazing lands.

Aside from the expenses of its representation on the Board (approximately \$5,000 per year), the federal government is not currently contributing funds under this agreement, although under inventory, reforestation, access roads and forest fire protection agreements with Alberta, federal monies are being spent on the protection and management of the forest cover of this watershed.

## HOSPITAL INSURANCE AND DIAGNOSTIC SERVICES

### *General Background*

The current hospital insurance and diagnostic services programme has developed as a result of the increasing interest in the broad field of health insurance, manifested over many years by governments, by professional groups, and by the general public.

The first official step in this field in Canada can be said to have been the appointment in 1919, by the British Columbia Government, of a Royal Commission to study the general question of health insurance. This move stimulated the interest of organized medicine and several other bodies which, prior to the appointment of the Commission, had had either theoretical discussions or discussions related to certain industrial schemes.

The problem of health insurance was on several occasions discussed in both Houses of Parliament. An organized federal effort in this field, however,



can be said to have started with the adoption by the House of Commons on March 21, 1928, of the following resolution:

"That in the opinion of this House the Select Standing Committee on Industrial and International Relations be authorized to investigate and report on insurance against unemployment, sickness and invalidity."

On May 1, 1929, this Committee, in its final report, recommended that the Department of Pensions and National Health be requested to initiate a comprehensive survey of the field of public health, with special reference to a national health programme.

The outbreak of war temporarily interrupted studies carried on by the Department. In 1941, however, the federal government convened a meeting of the Dominion Council of Health and interested agencies for the purpose of studying the question of health insurance. This meeting led to the appointment in the following year of an Advisory Committee on Health Insurance, under the chairmanship of Dr. J. J. Heagerty, Director of Public Health Services, of the Department of Pensions and National Health. This Committee prepared a draft bill providing for health insurance on a nationwide basis, which bill was the subject of discussion by a Special Committee of the House of Commons on Social Security. The favourable report of the Special Committee was followed in May 1944, by a Dominion-Provincial Conference on Health Insurance. The Conference indicated that it was the desire of most provinces that a health insurance scheme should be embarked upon, but that the scheme should be introduced by stages. In 1945-46, the federal government, at the Dominion-Provincial Conference on Reconstruction, offered as part of its social security proposals to institute a series of conditional grants to strengthen the provincial public health services and to assist the provinces in the implementation of a health insurance scheme. The Conference failed to reach agreement, and the health insurance plans were not implemented, although in 1948, conditional grants for public health services were instituted.

In 1955, at the Federal-Provincial Conference on the Tax Rental Agreements, the federal government indicated it was still willing to share in the development of a health insurance programme. The federal government stated that it would assist, technically and financially, provinces wishing to embark upon agreed phases of a provincially administered health insurance scheme whenever a majority of the provinces representing a majority of the Canadian population were ready to proceed. The Conference suggested priority should first be given to hospital care and radiological and laboratory diagnostic services, and established a Continuing Committee to consist of the Federal and Provincial Ministers of Health and Finance to study in detail all aspects of such a programme.

In 1956, the federal government presented specific proposals for a hospitalization programme to the Committee. The federal government stated it was willing, when a majority of the provinces representing a majority of the Canadian people indicated that they would participate, to make grants to such provinces to cover a specified proportion of "shareable costs" of a provincial hospitalization programme. In order to qualify, the provincial programmes were (a) to make the coverage of such a programme universally available to all residents of the province, and (b) to include the provision of specified laboratory and radiological diagnostic services to in-patients. "Shareable costs" were defined to exclude: capital costs, depreciation, interest, the extra costs of semi-private

and private care, the uninsured portion of a patient's bill (that is, patient costs represented by deterrent charges or coinsurance were excluded), workmen's compensation cases, and D.V.A. cases in respect of pensionable disability. The cost of patient care in mental and tuberculosis hospitals was excluded from shareable costs.

The following formula was presented as the basis for the federal government's contribution. Each province participating would receive: (a) 25% of the average per capita cost for hospital services for Canada as a whole; plus: (b) 25% of the average per capita cost in the province, multiplied in each case by that portion of a province's population entitled to the hospitalization services. While the grant would represent varying proportions of the cost of the hospitalization programme to each province, the federal grant would, as a whole, represent 50% of the shareable costs. Thus the amount of the federal contributions to the provinces was designed in such a way as to provide greater federal assistance to those provinces in which the per capita cost of hospital care is lower. The formula was designed to provide for an equitable federal contribution to the provinces, having regard to the considerable variation in the per capita costs between the provinces.

The federal proposals were favourably, if critically, received and the federal government in March, 1957 recommended to Parliament federal participation in a provincially operated hospitalization programme. Parliament, in consequence, passed the Hospital Insurance and Diagnostic Services Act (5-6 Eliz. II, c. 28) which incorporated the above proposals with the addition of out-patient services on an optional basis.

In November 1957, at the Dominion-Provincial Conference, the federal government offered to amend the above legislation to remove the "six provinces" clause and to substitute an earlier and more definite date for commencement of the federal participation. The federal government also offered to share the costs of hospitalization in mental hospitals and sanatoria, but indicated such a sharing would have to be borne in mind in any revision of the Tax-Sharing Arrangements. In consequence, the legislation was amended to allow the federal government to contribute as of July 1, 1958, to any province that had a plan in effect as of that date and that had entered into an agreement with the federal government. The following table indicates the dates on which the various provinces began to participate in the joint federal-provincial hospitalization programme.

Newfoundland .....	July 1, 1958	Manitoba .....	July 1, 1958
Prince Edward Island .....	October 1, 1959	Saskatchewan .....	July 1, 1958
Nova Scotia .....	January 1, 1959	Alberta .....	July 1, 1958
New Brunswick .....	July 1, 1959	British Columbia .....	July 1, 1958
Quebec .....	January 1, 1961	Yukon .....	July 1, 1960
Ontario .....	January 1, 1959	Northwest Territories .....	April 1, 1960

### *Financial Aspects*

The federal payments to the joint federal-provincial hospitalization programme amounted to \$54.7 million in 1958-59, \$150.6 million in 1959-60, \$189.4 million in 1960-61, and \$283.9 million in 1961-62. These amounts also include the federal contribution to the hospitalization programme of the Territories.

	1958-59	1959-60	1960-61	1961-62
	(in thousands of dollars)			
Newfoundland .....	2,858	4,708	5,095	6,258
Prince Edward Island .....	—	447	1,011	1,382
Nova Scotia .....	1,573	8,163	9,595	11,873
New Brunswick .....	—	4,575	7,914	9,547
Quebec .....	—	—	13,937	73,023
Ontario .....	13,140	71,893	84,484	104,499
Manitoba .....	7,148	11,324	13,049	15,246
Saskatchewan .....	8,430	13,378	14,454	15,954
Alberta .....	8,775	15,699	16,906	19,730
British Columbia .....	12,784	20,406	22,493	25,697
Yukon .....	—	—	169	296
Northwest Territories .....	—	—	262	378
Total .....	\$54,708	\$ 150,593	\$ 189,369	\$ 283,883

The impact of the cost-sharing formula on the proportion of hospitalization costs borne by the federal government in each province is approximately as follows for the respective calendar years indicated. The figure given is the federal proportion of the costs for that part of the year in which the joint programme was in operation.

	1958	1959	1960	1961
Newfoundland .....	63.6	62.8	63.4	65.8
Prince Edward Island .....	—	57.6	52.6	50.2
Nova Scotia .....	—	54.8	53.1	53.2
New Brunswick .....	—	53.0	44.7	49.3
Quebec .....	—	—	—	54.6
Ontario .....	—	44.5	44.5	45.5
Manitoba .....	49.3	47.1	47.4	48.7
Saskatchewan .....	40.6	41.8	43.0	44.1
Alberta .....	42.5	43.2	43.5	44.9
British Columbia .....	44.6	45.4	46.1	47.1

The provinces finance their portion of the costs of the hospitalization programme by various methods which are set out in the following table:

Newfoundland .....	general revenues
Prince Edward Island ....	premium (\$2 monthly for single persons, \$4 for families)
Nova Scotia .....	sales tax
New Brunswick .....	formerly a premium of \$2.10 for single persons and \$4.20 for families; since January 1, 1961, general revenues
Quebec .....	general revenues
Ontario .....	premium (monthly \$2.10 for single persons and \$4.20 for families) and general revenues.



## Manitoba .....premium—

- (a) July, 1958 to June, 1960 \$2.05 monthly for single persons and \$4.10 for families
- (b) June, 1960 to December 31, 1961 \$3 and \$6
- (c) from January 1, 1962 \$2 and \$4; and effective January 1, 1962 a 6% personal and 1% corporate income tax

## Saskatchewan .....sales tax, premium—

- (a) initially \$17.50 for single persons and \$35 for families per annum,
- (b) January 1, 1961, \$24 and \$48; and general revenues

## Alberta .....general revenues, 3 mill municipal assessment and co-insurance of \$1.60 to \$2 (according to hospital size) per patient day, and \$1 per day for the new born

## British Columbia .....sales tax, general revenues, and co-insurance \$1 per patient day

## Yukon .....general revenues

## Northwest Territories ....general revenues and co-insurance of \$1.50 per day.

*Agreements*

The federal Act empowers the Minister of National Health and Welfare to enter into an agreement with a province in connection with the matters for which provision is made in legislation. The matters which are required to be included in the agreement, and which are prescribed in the Act include an undertaking by the province to make insured services available to all residents upon uniform terms and conditions; to make arrangements to ensure the maintenance in hospitals of adequate standards; to maintain adequate records and accounts in connection with the provision of insured services; to permit access to these records and accounts; and to make provision for the recovery of costs in third party liability cases.

*Benefits*

In order to participate in the hospital insurance and diagnostic services programme, a province is required to provide a range of in-patient services which is set out in the Act as follows:

- (i) accommodation and meals at the standard or public ward level,
- (ii) necessary nursing service,
- (iii) laboratory, radiological and other diagnostic procedures together with the necessary interpretations for the purpose of maintaining health, preventing disease and assisting in the diagnosis and treatment of any injury, illness or disability,
- (iv) drugs, biologicals and related preparations as provided in an agreement when administered in the hospital,

- (v) use of operating room, case room and anaesthetic facilities, including necessary equipment and supplies,
- (vi) routine surgical supplies,
- (vii) use of radiotherapy facilities where available,
- (viii) use of physiotherapy facilities where available,
- (ix) services rendered by persons who receive remuneration therefor from the hospital, and
- (x) such other services as are specified in an agreement.

(Note: Such services might be a province-wide rehabilitation programme, or a province-wide cancer diagnostic and treatment programme.)

Insured persons are entitled to coverage for standard or public ward accommodation only. In so far as private or semi-private accommodation is concerned, insured persons are themselves responsible for that part of the charge which exceeds the standard rate, unless the preferred accommodation has been made available for medical reasons. Similarly, necessary nursing services do not include private nursing in the usual sense, although special nursing may be included when it is associated with medical need.

The provision of out-patient services is optional, the provinces having the freedom to choose any or all of the out-patient services as they deem fit. They are also free to exclude out-patient services entirely if they so choose. The list of out-patient services in the federal Act is identical with the in-patient services to which reference is made above. Initially, the Act excluded accommodation, meals and drugs, but the relevant sections of the Act were revised in June 1958, so as to delete these exclusions.

### *Coverage*

The federal Act prescribes that the province must make insured services available to all residents of the province on equal terms and conditions. In effect, therefore, there may be no exclusions on grounds of age, income or pre-existing conditions. Residents of the province are defined in the regulations as persons legally entitled to remain in Canada, who make their home and are ordinarily present in the province; tourists, transients or visitors to the province are specifically excluded.

Although the federal Act states that no specified period of residence may be required as a condition precedent to the establishment of residence in the province, waiting periods for benefits not exceeding three months are permitted. The inclusion of waiting periods for benefits resulted from the request of some provinces to be permitted to impose a short period prior to entitlement, for reasons of provincial administration. Not all of the provinces felt impelled to impose such a waiting period. Consequently, a varied pattern of waiting periods emerged. To ensure coverage for insured persons who were residents of one participating province and who move their place of residence to another participating province in which a waiting period for benefits is applied, the regulations entitle such persons to be deemed to continue to be residents of the original province during the waiting period. As a result of discussions between the provinces, the laws of all provinces now ensure continuing coverage on change of residence between participating provinces.

Certain residents of the province who have entitlement to the same type of services as provided under the hospital insurance programme are not covered by the provincial programme. These include members of the Armed Forces and of the Royal Canadian Mounted Police. In addition, where residents of the province are entitled to similar services under statutes such as Workmen's Compensation, their entitlement under such laws excludes them from entitlement for the same services under the hospital insurance programme.

Certain categories of residents of the provinces, such as Reserve Indians and recipients of War Veterans Allowances, for whom the federal government had been providing hospital coverage, are deemed to be residents of the province entitled to the same benefits as other residents. Where, however, a province requires payment of premiums or co-insurance, the federal government pays these levies on behalf of the above former recipients of federal hospital care.

### *Period of Entitlement*

Insured persons are entitled to receive insured services for as long a period as is medically necessary. No arbitrary limitations may be imposed in connection with length of stay in the hospital other than those imposed by medical necessity. However, where an insured person remains in the hospital beyond the period considered to be medically necessary, he is no longer entitled to insurance coverage. Medical necessity is determined solely by professional medical personnel, be it at the hospital level or at the provincial level.

### *Participating Hospitals*

The benefits provided under the Act are made available through hospitals listed in an agreement between the provincial and federal governments. These include acute general, chronic and convalescent hospitals. The Act specifically excludes tuberculosis hospitals, hospitals for the mentally ill, and institutions the primary purpose of which is the provision of custodial care. It should be noted that in-patient services provided in listed hospitals, regardless of individual diagnosis, are insured services. Thus, the services provided in the psychiatric ward of a general hospital, for example, are insured services despite the fact that institutions for the mentally ill, as such, are excluded from the Act. In order to qualify for listing in the agreement, a hospital must be in a position to provide all of the in-patient services listed in the Act, and must maintain an admission policy which ensures that custodial care is excluded. Hospitals which meet the requirements of the Act, and which are supervised, licensed and inspected according to the provincial law and which are put forward by the province for listing, may become participating hospitals in accordance with the legislative provisions.

For purposes of the agreement, hospitals are designated by certain categories including 'hospitals owned or operated by Canada', which are the federal hospitals administered by the Departments of Veterans Affairs and National Defence, and hospitals operated by the Directorate of Indian and Northern Health Services of the Department of National Health and Welfare; 'contract hospitals', which are defined in the regulations as private or industrial hospitals with which a province has contracted for the provision of insured services; and what are described as 'budget review' hospitals. The budget review hospitals comprise the bulk of the listed hospitals since these include the public hospitals in the provinces. The reason for differentiating between these categories of hospitals



is that different methods are used by the provinces for reimbursing the various categories.

For the most part, federal hospitals and contract hospitals are reimbursed at agreed rates either related directly to costs or in conformity with rates payable to other provincial hospitals having regard to size, facilities, standards of service, and location. The budget review hospitals are reimbursed on the basis of operating costs.

### *Consultant Services*

In order to ensure the provision of high quality hospital service, emphasis has been placed on the maintenance of standards. Proper arrangements have been made within each participating province and, in addition, advisory and consultant services of the Department of National Health and Welfare are available on request to the provinces.

### *Technical Assistance*

From the outset of the programme, the provinces were assured that the funds which had been available for some years under the National Health Grants programme would continue to be available for projects designed to train and employ personnel whose duties were geared towards the improvement of standards. These funds are not, of course, available for costs properly related to the cost of provincial administration. They are, however, available for technical purposes which will improve and enhance the quality of the provincial service.

### *Technical Conferences*

A tradition of close co-operation between the federal and provincial governments in matters related to the Hospital Insurance and Diagnostic Services programme was initially established prior to the commencement of the joint programme. During the early stages of the programme, federal-provincial technical conferences on hospital insurance were convened in Ottawa. These conferences were attended by representatives of all the provincial governments, including governments not yet participating in the joint programme. Between December 1957 and April 1959, four technical conferences were held, and a number of working parties appointed by the conference carried out a considerable amount of preparatory work, particularly with regard to financial forms and statistical returns.

As the need for co-ordination of provincial hospitalization programmes would continue, a federal-provincial Advisory Committee on Hospital Insurance and Diagnostic Services was established in 1959. This Committee consists of two representatives from each participating province and two representatives from the federal health department. The Committee has established three sub-committees composed of federal and provincial officers technically competent in the field of work of the sub-committee. The sub-committees are: Sub-Committee on Quality of Care, Research and Statistics; Sub-Committee on Finance and Accounting; and Sub-Committee on Residence and Uniformity of Benefits.

## MUNICIPAL WINTER WORKS INCENTIVE PROGRAMME

Following the National Winter Employment Conference convened by the Minister of Labour in July 1958, and its endorsement of federal government action to stimulate winter employment, the Prime Minister on October 27, 1958 proposed to the provinces that the federal government, in co-operation with the provinces, would share in the costs of approved municipal winter works.

The Federal Government offered (subject to the prior approval of each municipal project by the appropriate provincial government) to reimburse each municipality one-half of the direct payroll costs of the municipality or its contractor or sub-contractor on accepted winter works projects undertaken during the period from December 1, 1958 to April 30, 1959 (subsequently extended to May 31, 1959). The programme has been continued each succeeding year, in 1959-60 from December 1, 1959 to May 31, 1960, in 1960-61 and in 1961-62 from October 15th to May 31st. In each case the initial terminal date was amended to May 31st from April 30th. In July 1962 the Minister of Labour announced the continuance of the programme for the 1962-63 winter season from October 15th to April 30th.

During this time the categories of work projects eligible for acceptance as winter work projects and the definition of municipality have been somewhat extended. As of the 1958-59 season, works of a municipal nature which are by the law of a province undertaken by that province in a rural municipality were allowed to qualify; works undertaken by an Indian reserve or band were qualified for the 1959-60 season; and as of the 1961-62 season works undertaken by responsible community organizations in an unorganized settlement and works undertaken by irrigation districts qualified. The categories of works that have been acceptable as winter work projects under the programme have for each season been specified by Order in Council, i.e. for the 1958-59 season in P.C. 1959-246 dated February 26, 1959; for 1959-60 in P.C. 1960-317 dated March 10, 1960; for 1960-61 in P.C. 1961-23 dated January 11, 1961 and for 1961-62 in P.C. 1962-166 dated February 8, 1962.

The categories of work projects eligible for acceptance as winter works projects during the 1961-62 season were to be similar to the categories eligible in 1960-61 supplemented by a more specific proviso regarding municipal capital undertakings. The 1960-61 categories are as follows:

- (a) the construction and major improvement of municipal roads, streets, sidewalks, bridges and underpasses including street lighting, traffic signals and municipal parking lots;
- (b) the construction and major improvement of municipal water, sewage and drainage facilities;
- (c) the construction and development of municipal parks and playgrounds not including school playgrounds;
- (d) the construction, major reconstruction, major alteration or renovation of municipal buildings, not including schools and hospitals, provided that the federal incentive payment on new structures did not exceed \$50,000 in each such structure; and

- (e) the 1961-62 specific proviso regarding municipal capital undertakings was set out as follows:

"Winter works projects for the purpose of this program shall include any capital undertaking of a municipality except work on schools and school grounds, hospitals and hospital grounds, subway transportation systems and municipally-owned buildings to be used for industrial or business purposes under private auspices, it being provided in respect to construction of municipal buildings that the federal incentive payment shall not exceed \$50,000 on each new structure."

	1958-59	1959-60	1960-61	1961-62
(% of direct labour costs paid by province)				
Newfoundland.....	—	—	—	—
Prince Edward Island.....	25	25	25	25
Nova Scotia <sup>1</sup> .....	—	—	—	—
New Brunswick.....	—	—	—	—
Quebec.....	—	—	40	40
Ontario.....	25	25	25	25
Manitoba <sup>2</sup> .....	30	30	25	25
	in respect of persons who, except for employment on accepted pro- jects, (a) would have exhausted their U.I.C. benefits, or (b) would have required assistance from public funds.	in respect of persons registered with the municipality for assistance.	re persons un- employed not entitled to U.I.C. benefits, and 50% where welfare cases of 3 months duration employed.	re persons un- employed not entitled to U.I.C. benefits, and 50% where welfare cases of 30 days duration employed.
Saskatchewan.....	25	25	25	25
Alberta.....	25	25	25	25
British Columbia.....	—	25	25	25
		unconditional + additional 25% where welfare cases of 3 months duration employed.		unconditional + additional 25% where welfare cases of 4 months duration employed.

<sup>1</sup> Nova Scotia has each season offered its municipalities a winter works programme of its own under which the province paid 50% of the direct payment costs incurred by municipalities up to April 30th on approved projects.

<sup>2</sup> Manitoba in 1958-59 and 1959-60 in addition to the federal programme ran a provincial-municipal programme under which the province contributed 50% of the labour costs of municipal projects where the labour employed had been on municipal assistance. The provincial programme was somewhat more extensive than the federal in that it included work projects involving schools.



As an overall rule, projects to which Canada is contributing under other agreements or arrangements are not eligible under the winter works programme. Hospitals are excluded for this reason. This exclusion does not apply to municipal projects which receive capital assistance from Canada in the form of repayable loans as is the case with sewage treatment projects financed by loans obtained under Part VIB of the National Housing Act. Similarly the labour costs are only shareable if the bulk of those employed in each project were unemployed at the time they were hired or would have been unemployed but for the project. This provision was to prevent the federal government contributing to the salary and wages of the regular municipal employees.

The provinces screen all municipal projects before their presentation for federal approval and audit the municipal accounts for payment. (Note in the case of Indian reserves, the Indian Affairs Branch of the Department of Citizenship and Immigration has to screen all applications and audit all claims for payment.) All provinces have participated to this extent in the programme in all years while several provinces have also made a further financial contribution. The degree of provincial financial contribution to the programme in the various years is set out on the previous page.

During the four winter seasons that the programme has been in operation, the number of projects submitted and approved has steadily risen as have the number of municipalities participating. The estimated number of man days work provided under the programme and the federal contribution, is given below:

	1958-59	1959-60	1960-61	1961-62
	(on a seasonal and not a fiscal year basis)			
No. of Projects .....	2,328	2,602	7,197	8,269
No. of Municipalities (including Indian Bands) ....	647	869	2,163	2,747
No. of Man Work Days ....	1,695,733	1,952,833	5,163,828	5,868,399
Federal Contribution .....	\$6,464,708	8,432,673	22,669,021	26,333,435

The following table breaks down the federal contribution by season and by province for those seasons for which information is complete:

	1958-59	1959-60	1960-61	1961-62
Newfoundland .....	\$ 24,770	\$ 38,582	\$ 163,927	\$ 340,599
Prince Edward Island .....	1,019	289	10,562	90,495
Nova Scotia .....	338,208	213,050	236,041	159,444
New Brunswick .....	234,946	190,918	334,103	426,485
Quebec .....	1,426,170	1,685,739	9,121,879	11,371,311
Ontario .....	1,995,588	2,447,484	5,368,197	5,521,491
Manitoba .....	402,186	282,141	583,242	668,077
Saskatchewan .....	259,361	704,179	1,195,780	1,745,396
Alberta .....	1,069,161	1,544,864	2,531,609	2,788,251
British Columbia .....	706,843	1,317,467	3,029,012	3,117,433
Yukon .....	—	2,263	622	2,314
Northwest Territories .....	6,456	367	4,536	19,268
Indian Bands .....	—	5,330	89,511	82,871
Total .....	\$ 6,464,708	\$ 8,432,673	\$22,669,021	\$26,333,435

## NATIONAL HEALTH GRANTS 1948-62

In Canada, the first grant-in-aid for health purposes was voted in 1919 when federal monies were made available to the provinces on a matching basis to help to control venereal diseases. This grant resulted in the development of a nationwide programme, including a network of clinics, which brought a formidable health problem under control. The unqualified success of this joint effort and the administrative techniques which were developed set a pattern for Dominion-Provincial co-operation on health matters which has been continued and enlarged upon in the ensuing 40 years.

The successful operation of this grant-in-aid undoubtedly influenced the attitude of the Rowell-Sirois Commission which, despite its basically negative attitude toward federal grants in aid, expressed itself in favour of conditional grants-in-aid for health purposes. The Commission stated: "In the interests of national unity it is highly desirable that every province should be able to provide these (health) services in accordance with average Canadian standards . . . . Provided provinces are not thereby tempted to forego or starve other needed services, we can see no serious objection to small grants-in-aid for particular provincial services, and especially for specialized health services, where scientific standards for measured efficiency are relatively easy to apply".

Although the conference on the Rowell-Sirois Report failed to reach agreement, the principle of federal grants-in-aid was kept alive. It was endorsed in a resolution of the Dominion Council of Health at a special meeting on June 14, 1941, and provision for grants-in-aid for specific health purposes was made in a draft bill prepared in 1944 by a Special Committee of the House of Commons on Social Security. The principle of grants-in-aid was unanimously approved by a conference of provincial ministers and deputy ministers of health in May 1944, and in September of that year the Dominion Council of Health again discussed the matter and adopted a resolution expressing their "urgent desire" that the grants outlined in the draft bill be made available "at the earliest moment". The attitude of the Council was supported by various health organizations and in particular by the Canadian Public Health Association.

All previous plans and discussions culminated in the Proposals of the Government of Canada (the "Green Book Proposals") to the Dominion-Provincial Conference on Reconstruction in August 1945. These proposals included (1) a grant for planning and organization; (2) health insurance; (3) health grants; and (4) financial assistance toward the construction of hospitals through loans.

Following this conference, the Department of National Health and Welfare, with the assistance of outside experts, continued to study and review the proposals in the light of provincial requests and suggestions.

The National Health Programme was announced in the House of Commons on May 14, 1948. It followed closely the 1945 proposals but with two deviations: (1) in accordance with new recommendations a Cancer Control Grant, not included in the previous proposals, was added; and (2) a system of outright grants toward hospital construction replaced the earlier suggestions of a loans programme.

The monies for the Grants Programme are provided through the annual Appropriation Act, with the administrative details spelled out in Orders-in-Council which are reviewed yearly.

The grants were, by the terms of the governing Orders-in-Council, established to provide a means of providing federal assistance to each province for the development of necessary new or extended health services in the various health fields. All approvals for assistance are made by the Minister on the basis of submissions of projects from each province based on province-wide planning for a programme for better health.

The National Health Programme instituted in 1948 was a composite of ten separate but integrated grants. These grants were for a health survey, for general public health, tuberculosis control, mental health, venereal disease control, crippled children, professional training, public health research, cancer control, and hospital construction. Since that date the quinquennial reviews of the over-all programme have brought several changes; new grant programmes have been introduced, others consolidated, and others have had their financial allotment changed in the light of a re-estimate of the need or value of the specific programme.

Following the first quinquennial review in 1953, the hospital construction grant was reduced by 50 per cent, and three new grants for laboratory and radiological services, medical rehabilitation, and child and maternal health were instituted. Five years later in 1958 the hospital construction grant was increased by about 150 per cent, was extended to cover the renovation of obsolete hospitals, and the subsidy per bed was increased. The initial reduction in the amount of monies made available under the national health grant programme was occasioned by the achievement of the initial objective—the provision of 40,000 new beds—while the increase in the grant was occasioned by the impact on hospital accommodation of the new hospital insurance programme and the rising costs of hospital construction. The other major change in the national health programme took place in 1960 and was occasioned in part by the impact of the new hospital insurance programme. The laboratory and radiological services grant, the crippled children grant, and the venereal disease grant were eliminated as separate entities. The general public health grant was augmented and was extended to cover venereal disease control and those aspects of laboratory and diagnostic services not provided through the hospital insurance and diagnostic services plan, while the crippled children grant was combined with the medical rehabilitation grant to constitute the medical rehabilitation

	to March 31, 1962	1959-60	1960-61	1961-62
	(in thousands of dollars)			
Newfoundland .....	11,903	1,062	845	1,529
Prince Edward Island .....	4,083	421	447	344
Nova Scotia .....	21,599	1,512	2,875	2,689
New Brunswick .....	17,995	1,357	1,582	1,586
Quebec .....	131,538	15,093	14,000	13,014
Ontario .....	129,083	15,068	15,755	16,443
Manitoba .....	26,371	2,276	2,996	3,035
Saskatchewan .....	28,724	2,251	2,486	2,469
Alberta .....	31,979	2,900	2,748	3,866
British Columbia .....	39,766	3,957	4,143	3,904
Northwest Territories .....	453	64	74	77
Yukon .....	289	36	42	44
Total .....	443,783	45,997	47,993	49,000



and crippled children grant. At the same time the monies allocated to some existent grant programmes were changed; the monies made available for the child and maternal health grant and the tuberculosis control grant were reduced, and the monies made available for the professional training grant and the public health research grant were approximately tripled.

The above are the main changes in the overall programme since its inception. There have been other changes in individual grant programmes which are covered below in the comments on each specific grant. Before proceeding to consider each grant, some mention may be made of the federal contribution to the provinces under the overall programme as distinct from individual programmes. From its inception in 1948 to March 31, 1962, the federal contributions by province are set out in the table on the facing page, as are the contributions for recent fiscal years.

### *Specific Grants*

#### (1) Health Survey Grant

This grant was a non-recurring grant of \$625,000 and was divided among the (then) nine provinces on the basis of \$5,000 to each province, with the balance to be allotted on the basis of population, but the total amount available to any province was in no case to be less than \$15,000. P.C. 3408 dated July 28, 1948, allotted the \$625,000 between the provinces, and Vote 694 of the Supplementary Estimates for 1949-50 made a further allotment for Newfoundland. This grant was intended to assist the provinces in undertaking a survey of their existing health services and facilities, and of planning ways and means of improving them in order that the provinces might more effectively use the other health grants provided. The surveys were completed and the last payments made under this grant by fiscal year 1952-53.

The amounts allotted each province and the amounts spent by each province under this grant were as follows:

	Allotted	Spent		Allotted	Spent
Nfld. ....	\$ 20,180	\$ 20,025	Ont. ....	\$196,570	\$147,704
P.E.I. ....	15,000	15,000	Man. ....	38,979	29,052
N.S. ....	33,399	30,639	Sask. ....	43,506	43,502
N.B. ....	27,454	27,454	Alta. ....	42,592	39,808
Que. ....	174,756	147,771	B.C. ....	52,744	20,104
Total .....				\$645,180	\$521,059

#### (2) Hospital Construction Grant

Under this grant the federal government agreed to make available over a five-year period a sum of \$65 million (increased by \$343,800 per annum when Newfoundland joined Confederation) to assist in the construction of active treatment, chronic or convalescent hospitals as well as mental hospitals and tuberculosis sanatoria. The provinces were required to match the federal grant, and to ensure that local sources and philanthropic sources still contributed, the federal grant was not to constitute more than one-third of the cost of the facilities built. In 1953, the federal contribution was reduced to \$6,700,000 per annum for the next five years as it was felt that the acute shortage of hospital beds had been met in the first five-year period. In 1958, the federal contribution

was raised to \$17,367,320 per annum for the next five years. The increase was occasioned by an increase in the federal grant per bed, the broadening of the scheme to cover renovation of existent hospitals, as well as new construction, and the need for more beds occasioned in part by the Canada-wide adoption of the hospital insurance and diagnostic services programme.

The grants are calculated on the following basis from the date specified:

	1948-49	1951-52	1954-55	1958 <sup>4</sup>
(a) active treatment bed or bed equivalent <sup>1</sup> .....	\$1,000		<sup>3</sup>	\$2,000
(b) chronic and convalescent beds <sup>2</sup> .....	1,500			2,000
(c) nurse's bed .....	—	\$ 500		750
(d) interne's bed .....	—	—	—	750

<sup>1</sup> 3 bassinets and 300 square feet in community health service centres are bed equivalents;

<sup>2</sup> includes beds in mental and tuberculosis hospitals or sanatoria;

<sup>3</sup> 300 square feet in hospital training facilities became a bed equivalent;

<sup>4</sup> the adjusted grants' scale was made to apply to renovations and alterations in existing hospitals on the same basis as for new construction.

Under the above grant programme from April 1, 1948, to March 31, 1962, assistance had been approved towards meeting the costs of space for 101,322 beds, 12,633 bassinets, 20,495 beds in nurses' residences, 5,104,200 square feet of floor space for public health and hospital laboratories, for teaching facilities, diagnostic and treatment areas for in-patients and out-patients, and for community health centres. From January 1, 1958, to March 31, 1962, 194 renovation projects had been approved under this programme.

In the following table, the federal contribution by province for hospital construction from its inception until March 31, 1962, is set out as well as the contribution for recent fiscal years.

	to March 31,			
	1962	1959-60	1960-61	1961-62
	(in thousands of dollars)			
Newfoundland .....	2,171	200	71	593
Prince Edward Island .....	961	132	170	18
Nova Scotia .....	6,002	89	1,323	1,140
New Brunswick .....	4,499	210	396	351
Quebec .....	45,435	4,686	4,956	4,988
Ontario .....	53,895	6,614	6,999	7,620
Manitoba .....	8,636	536	1,201	1,191
Saskatchewan .....	8,231	642	803	761
Alberta .....	9,780	402	322	1,329
British Columbia .....	13,044	1,429	1,354	1,009
Northwest Territories .....	24	1	—	—
Yukon .....	21	—	—	—
Total .....	152,699	14,941	17,595	19,000

### (3) General Public Health Grant

The grant was designed to assist the provinces in extending and strengthening their provincial and local public health services through the expansion of

existing local health boards or units or the organization of new ones, as well as the training of public health personnel and the conduct of needful surveys and studies.

The general public health grant was in 1948 to be calculated on the basis of 35¢ per capita and was to rise to 50¢ per capita by annual increments of 5¢. It remained at the 50¢ per capita level until 1960 when it was raised to 80¢ per capita. At the same time the allocation by province was changed from a pure population basis to one in which the total amount to be devoted to general public health was to be distributed on the basis of \$50,000 to each province, with the balance distributed according to the respective population of each province (see P.C. 1960—18/257, dated March 3, 1960). The increase in the per capita allocation was occasioned by the abolition of specific grants for venereal disease control and laboratory and radiological services. Projects formerly supported under those grants were brought under the umbrella of the general public health grant.

The general public health grant was originally envisaged as being devoted specifically to the extension of local public health services. At the time of the 1945 and 1946 conferences, it was determined that local public health services of a satisfactory standard could be provided at one dollar per capita and a pattern was visualized whereby local public health services might be supported in three ways—by municipalities, by the provinces, and by the federal grants. It was this reasoning that led to the initial grant being set at 35¢ per capita while the extending scope of public health services as the programme got under way and the anticipated increase in costs led to the 5¢ per capita annual escalation.

No sharing provisions were attached to this grant as it was known that the provinces were already spending in this field more than the total amount of the federal grant. It was, however, specifically stated that the provinces were to maintain at least their 1947-48 level of expenditure in this field.

This grant has been used at one time or another to assist and extend almost every type of service within the orbit of public health departments; the establishment of new health units and extensions of service within units in existence prior to 1948, assistance to provincial, city, and rural health departments toward the purchase of equipment and the employment of staff, the training of public

	to March 31,			
	1962	1959-60	1960-61	1961-62
	(in thousands of dollars)			
Newfoundland .....	2,877	256	327	360
Prince Edward Island .....	1,058	84	123	141
Nova Scotia .....	4,904	449	751	773
New Brunswick .....	3,482	332	461	480
Quebec .....	15,685	2,098	2,636	1,641
Ontario .....	21,638	2,924	2,617	2,677
Manitoba .....	5,075	509	704	689
Saskatchewan .....	5,550	462	675	659
Alberta .....	6,544	653	986	1,039
British Columbia .....	9,542	870	1,192	1,147
Northwest Territories .....	241	32	49	54
Yukon .....	36	—	—	—
Total .....	76,632	8,669	10,521	9,660



health workers, studies of air pollution and sanitation problems, the development of preventive dental services, the development and provision of the Salk polio-myelitis and other vaccines and sera to combat communicable diseases, the investigation of health hazards to workers in industry and of new approaches to occupational health services, the extension of laboratory facilities and staff to ensure the purity of food and water supplies, establishment of clinics for prevention and treatment of blindness, and a host of other services designed to prevent illness and disability and to promote longer life and better health, as well as research in fields of public health significance.

The federal contribution by province for general public health from 1948 to March 31, 1962, as well as the contribution for recent fiscal years, is set out on the preceding page.

At this point it might be well to give a brief summary of the history of the two health grants, venereal disease control, and laboratory and radiological services, which were discontinued as distinct grants in 1960 and incorporated into the enlarged general public health programme.

#### (a) Venereal Disease Control Grant

The venereal disease control grant was the forerunner of the present national health grants. The first venereal disease control grant came into existence in 1919 when monies were first made available to the provinces on a matching basis for the development of a nation-wide network of venereal disease control clinics. Except for the years 1932-37 inclusive, the grant was continuous. The accomplishment of this grant and the harmonious federal-provincial administrative arrangements developed under it influenced the Rowell-Sirois Commission to make an exception in the health field to their otherwise firm opposition to conditional grants.

Immediately prior to 1948, the venereal disease control grant stood at \$225,000. With the inception of the national health grants programme, it was increased to \$500,000 and subsequently enlarged to provide funds for Newfoundland and the Territories. It was divided on the basis of \$4,000 to each province and the remainder according to population. From its beginning in 1919, it had always been a matching grant. Expenditures from 1948 to its absorption in the general public health programme after March 31, 1960, amounted to \$5.1 million and are set out in the following table (in thousands of dollars) by province.

Newfoundland .....	\$ 180	Manitoba .....	\$ 338
Prince Edward Island .....	45	Saskatchewan .....	340
Nova Scotia .....	277	Alberta .....	394
New Brunswick .....	224	British Columbia .....	505
Quebec .....	1,246	Northwest Territories .....	—
Ontario .....	1,579	Yukon .....	1
		Total .....	\$5,129

The decline in the incidence of venereal disease and the absorption of some aspects of the control programme under the out-patient facilities provided the public under the hospital and diagnostic services programme in some provinces led to the termination of this grant as a distinct entity in 1960-61 and the absorption of continuing aspects of the programme under the general public health grant.

#### (b) Laboratory and Radiological Services Grant

The health survey conducted under the national health grant programme emphasized the increasing importance attached to laboratory and X-ray facilities

in the detection, cure, and prevention of disease and the lack of such facilities in the small centres and in rural areas. The recruitment of doctors for such centres was rendered more difficult by the lack of these facilities, and the strain on the facilities of the larger urban hospitals was increased by the necessity of the rural dwellers seeking these facilities in the larger centres. Consequently a laboratory and radiological services grant was instituted in 1953-54 on the basis of 30¢ per capita. It was raised to 35¢ per capita for the two fiscal years 1954-55 and 1955-56, to 45¢ per capita for fiscal 1956-57 and to 50¢ per capita for the three fiscal years 1957-58 to 1959-60 inclusive. Under this grant technicians were trained, equipment purchased, facilities were provided and extended. With the implementation of the Hospital Insurance and Diagnostic Services Act many of the activities supported by the grant were absorbed into the hospital insurance programme. The grant was in consequence discontinued at the end of the 1959-60 fiscal year. Those projects supported by the grant which did not come within the hospital insurance programme were transferred to the General Public Health Grant or to the Professional Training Grant.

During the seven-year life of this grant, federal contributions amounted to \$14.2 million and were distributed (in thousands of dollars) as follows:

Newfoundland .....	\$ 966	Manitoba .....	\$ 1,861
Prince Edward Island .....	169	Saskatchewan .....	1,804
Nova Scotia .....	1,250	Alberta .....	1,118
New Brunswick .....	1,454	British Columbia .....	786
Quebec .....	4,441	Northwest Territories .....	—
Ontario .....	331	Yukon .....	—
		Total .....	\$14,180

#### (4) Tuberculosis Control Grant

While all provinces were in varying degrees providing facilities to combat tuberculosis, there was a need for a more concerted effort to detect tuberculosis in its early stages and thereby avoid the long period of hospitalization and the long economic drain on the individual and society that had characterized the treatment of the disease. There was the further need to facilitate the provision of free treatment and the availability of new drugs.

In 1948, a federal grant of \$3,000,000 (raised by \$176,614 when Newfoundland entered Confederation) was instituted which was allocated among the provinces on the basis of a flat \$25,000 to each province, with the remainder divided 50% on the basis of population and 50% on the basis of the average number of deaths from tuberculosis in each province over the preceding five years. The basic contribution of \$25,000 to each province was to assist the smaller provinces to meet the basic administrative expenses required to set up province-wide tuberculosis control programmes while the variations in the prevalence of tuberculosis occasioned the distribution of a portion of the grant on the basis of medical need as shown by the number of deaths from tuberculosis.

Several provinces had well-developed basic tuberculosis programmes when the grants became operative in 1948. In these cases the grant was used to extend their programmes to new areas and to develop new services, particularly in the rehabilitation of ex-sanatoria patients. Of particular importance was the fact that the grant made available free of charge to all sanatoria patients who might benefit from them, the new antibiotics, streptomycin and allied drugs, thereby reducing to a minimum the time-lag between the discovery of these new methods

of treatment and their widespread use. An index of the success of this programme was the drop in the Canadian tuberculosis death rate from 44.4 per 100,000 in 1947, to 4.2 in 1961.

In 1950-51, the grant was raised to \$4,226,000 in order to utilize to the full the success achieved from the application of the new drugs. The success of the programme as indicated by the sharp decline in deaths attributed to tuberculosis led to a reduction in the federal grant in 1960-61 to \$3,500,000. The reduced grant is distributed by province under the original formula save the basic allotment has been reduced from \$25,000 to \$10,000.

The federal contributions under this grant programme from April 1, 1948, to March 31, 1962, are set out by province in the following table as are the contributions for recent fiscal years:

	to March 31, 1962	1959-60	1960-61	1961-62
	(in thousands of dollars)			
Newfoundland .....	2,311	131	126	144
Prince Edward Island .....	573	38	29	29
Nova Scotia .....	2,854	187	146	139
New Brunswick .....	2,254	159	157	126
Quebec .....	21,049	1,468	1,274	1,232
Ontario .....	9,919	809	785	729
Manitoba .....	2,367	202	177	168
Saskatchewan .....	2,775	202	151	159
Alberta .....	2,993	254	211	215
British Columbia .....	3,797	309	286	274
Northwest Territories .....	57	8	12	12
Yukon .....	176	29	22	22
Total .....	51,125	3,796	3,376	3,249

#### (5) Mental Health Grant

This grant was designed to assist the provinces in extending their programmes for the prevention and treatment of mental illness, for the rehabilitation of ex-patients, and for the encouragement of research into the causes and possible use of new or improved methods of treatment of mental diseases.

The original amount of the grant was \$4,000,000 and it was intended to be increased by \$1,000,000 annually until it reached \$7,000,000. As shortages of trained personnel hampered the provincial programmes and the provinces were not able to use their allotment, the federal grant was increased more slowly and did not reach the \$7 million mark until 1954-55, at which level it remained until 1960-61 when the federal grant was increased by \$1.5 million to \$8.5 million. In each case the federal grant was somewhat larger than here stated as a result of the provision of funds for Newfoundland and the Territories. The amount made available each fiscal year has been divided among the provinces on the basis of a flat amount of \$25,000 to each province and the balance distributed on the basis of their respective populations. The basic allotment was designed, as were the basic allotments in most grants, to assist the provinces with small populations.



The expenditures under the mental health grant programme from 1948 to March 31, 1962, and for recent fiscal years are given in the following table:

	to March 31,			
	1962	1959-60	1960-61	1961-62
	(in thousands of dollars)			
Newfoundland .....	1,954	183	210	197
Prince Edward Island .....	800	83	99	95
Nova Scotia .....	3,113	375	372	370
New Brunswick .....	3,002	301	313	312
Quebec .....	20,898	2,242	2,417	2,476
Ontario .....	21,802	2,130	2,622	2,603
Manitoba .....	3,686	351	406	426
Saskatchewan .....	4,679	392	395	406
Alberta .....	5,517	985	631	638
British Columbia .....	6,612	642	656	692
Northwest Territories .....				
Yukon .....	49	7	20	22
Total .....	72,112	7,691	8,141	8,237

This grant has assisted extensively in the training of additional mental health personnel, in the purchase of scientific equipment, and the provision of additional doctors, nurses, psychologists, social workers, and other technical personnel required for the more adequate staffing of mental hospitals and the improved treatment of patients. In recent years, as much as 50% of the amount spent by the provinces has been devoted to extension of services in mental hospitals. Community mental health clinics and psychiatric services in general hospitals have been assisted as new and growing steps towards the prevention of mental illness, with a consequent lessening in the demand for mental hospital beds.

#### (6) Professional Training Grant

This grant was established on the premise that larger numbers of better trained men and women would be required to staff the health and hospital services whose expansion was to be stimulated through the other health grants, and since the quality of the services would vary directly with the quality of the available personnel, the national health grants programme had a responsibility to assist with the training of personnel—both new recruits and those already in health work.

The amount of the grant was set in 1948 at \$500,000 (subsequently adjusted for Newfoundland) and remained at this level for twelve years, following which it was to be determined on the basis of 10¢ per capita of the population of Canada. In all cases the lump sum grant has been distributed among the provinces on the basis of a flat amount per province and the balance distributed by population. For twelve years from fiscal 1948-49 to 1959-60 the flat amount was set at \$4,000 per province, and since 1961-62 at \$10,000. While the amount of the grant remained fixed for so many years, the amount of monies spent on professional training under the national health grants programme was considerably in excess of the specific amount allotted. A provision, first incorporated in the Order-in-Council governing the overall programme in 1951-52 (P.C. 2518,

May 22, 1951) and subsequently renewed each year, allowed a province to divert uncommitted monies from other health grant allotments (except those for hospital construction and public health research) to any other grant programme. Under this provision many provinces diverted additional amounts to professional training. The amount spent on professional training per se rose until approximately \$1.5 million a year was being spent on such training under the professional training grant proper and companion grants by 1959-60 and \$3.7 million by 1961-62. The interchangeable provision governing uncommitted monies under other grants still persists and professional training under these grants is still possible.

The federal contributions from 1948 to March 31, 1962, under the professional training grant and for recent fiscal years are set out by province in the following table:

	to March 31,			
	1962	1959-60	1960-61	1961-62
	(in thousands of dollars)			
Newfoundland .....	303	18	43	77
Prince Edward Island .....	98	4	2	26
Nova Scotia .....	490	30	74	75
New Brunswick .....	389	19	72	59
Quebec .....	2,355	147	283	466
Ontario .....	3,280	299	501	402
Manitoba .....	493	32	77	78
Saskatchewan .....	429	27	65	71
Alberta .....	573	37	106	126
British Columbia .....	603	41	65	67
Northwest Territories .....	20	2	2	—
Yukon .....	1	—	—	—
Total .....	9,034	656	1,290	1,447

Under this grant programme, training has been carried out in three different ways: (a) the granting of bursaries to individuals, provided they agree to return to the sponsoring province and remain for a period at least equal to the length of the training period; (b) the organization of short courses; and (c) the establishment of new training programmes and the expansion of existing facilities. As the cost of operating training schools for nurses, nurses' aides, and laboratory and X-ray technicians has now become a shareable cost under the hospital insurance agreements whenever these training schools form part of a hospital's normal operations, such training is not eligible for funds under any of the national health grants. From the inception of the professional training grant and other health grants to March 31, 1962, 33,694 persons received training assistance, 15,638 in the form of bursaries, and 18,056 in the form of short courses.

#### (7) Cancer Control Grant

This grant was designed to assist the provinces in developing and maintaining adequate cancer control programmes through provision of diagnostic, treatment, and rehabilitation facilities and the training of personnel as well as the conducting of surveys and research. This grant had not been envisaged in 1945

and its introduction into the 1948 national health grant programme was a reflection of the growing public concern with cancer and its rise to the position of the second highest cause of deaths in Canada.

The amount of the grant was set at \$3,500,000 and has remained approximately at this level up to the present. The amount of the grant was determined on the basis of the comprehensive cancer service which Saskatchewan had already established at a cost of about 60¢ per capita in the preceding fiscal year. As the cancer control grant was established on a matching basis, the federal grant was computed at the rate of 30¢ per capita based on 1948 population figures. The grant was from 1948-49 to 1959-60 inclusive distributed among provinces on the basis of their respective populations, in 1960-61 and subsequent fiscal years the grant has been distributed as a flat \$10,000 to each province with the remainder distributed according to their populations.

The reason for making this grant a matching one was that it was envisaged that, being somewhat separate from regular public health services, it might form a part of a health insurance scheme if such were established. In fact, the slight reduction in the cancer control grant that occurred in 1960-61 was occasioned by the transfer of the hospitalization portion of the cancer programme theretofore carried under the Cancer Control Grant, to the hospital insurance and diagnostic services programme. Hospitalization had constituted a substantial portion of the services provided out of the cancer control grant, and despite the small reduction in the amount of the grant, the removal of the hospitalization burden left more money available than formerly for the development by the provinces of their cancer services.

The federal contributions under the cancer control grant from its inception to March 31, 1962, and for recent fiscal years are set out in the following table:

	to March 31,			
	1962	1959-60	1960-61	1961-62
	(in thousands of dollars)			
Newfoundland .....	490	2	23	13
Prince Edward Island .....	147	13	12	15
Nova Scotia .....	1,402	133	42	48
New Brunswick .....	1,433	74	62	124
Quebec .....	11,005	1,123	915	480
Ontario .....	8,890	1,079	1,039	1,170
Manitoba .....	2,011	184	181	181
Saskatchewan .....	2,920	187	186	184
Alberta .....	3,299	254	252	255
British Columbia .....	2,805	271	305	313
Northwest Territories .....	32	8	3	2
Yukon .....	1	—	—	—
Total .....	34,435	3,328	3,020	2,785

The grant has been used for the establishment of or assistance toward extended services in some 60 free cancer diagnostic clinics, for the extension of laboratory and pathological services, for the purchase of radium, cobalt 60 beam therapy units, and deep therapy X-ray equipment, for assistance with the costs of caring for cancer patients receiving treatment in hospital, and for the support of the National Cancer Institute of Canada which administers a large scale pro-



gramme of fundamental research. In view of the rising death rate for cancer and the need to intensify research into the causes of cancer and in improved methods of diagnosis and treatment, the matching requirement associated with this grant was as of 1960-61 eliminated with respect to research projects financed by the provinces under this grant.

#### (8) Public Health Research Grant

The limited research into public health problems in 1948 and the conviction that research and investigation into community health problems were essential to a progressive health programme led to the setting up in 1948 of a specific grant to stimulate and develop public health research.

As sound research projects take time to develop and as the ranks of research workers grow slowly, the grant was set to begin at \$100,000 and to increase by \$100,000 a year until it reached \$500,000. An adjustment was made on Newfoundland's entry. The public health research grant was to be a "pooled" grant and was not allocated on a provincial basis. Requests for assistance in research projects may be made by any province singly or jointly or by a research body or university through a province. Such requests are assessed by a committee of the Dominion Council of Health which judges the merit of each application.

While the public health research grant remained at \$512,900 for eight years from 1952-53 to 1959-60 inclusive, the amount spent on research was augmented following the provision first introduced in 1951-52 which allowed the provinces to divert uncommitted amounts under health grants other than Hospital Construction and Public Health Research. In the rearrangement of the grants in 1960-61, the amount of the public health research grant was raised substantially to 10¢ per capita based on each year's estimated population. It was the intention that, except in the fields of child and maternal health and mental health, all research projects would be submitted under this grant rather than under the grants for specific health fields.

The federal contributions under the public health research grant from 1948 to March 31, 1962, and for several recent fiscal years are given below:

	to March 31,			
	1962	1959-60	1960-61	1961-62
	(in thousands of dollars)			
Newfoundland .....	—	—	—	—
Prince Edward Island .....	—	—	—	—
Nova Scotia .....	347	38	48	57
New Brunswick .....	39	—	—	—
Quebec .....	2,754	180	594	650
Ontario .....	2,791	124	578	595
Manitoba .....	296	18	44	95
Saskatchewan .....	395	30	50	64
Alberta .....	243	18	82	90
British Columbia .....	345	28	63	59
Northwest Territories .....	58	8	8	7
Yukon .....	—	—	—	—
Total .....	7,268	444	1,467	1,617

Total assistance towards research under all grants from 1948 to 1962 was in excess of \$23.5 million.

### (9) Medical Rehabilitation and Crippled Children Grant

This grant is a fusion of two former distinct grants: the medical rehabilitation grant first established in 1953-54, and the crippled children grant established in 1948-49. The fusion took place in the 1960-61 rearrangement of the grants programme. The history of the individual components of the unified grant is set out below.

#### (a) Crippled Children Grant

To stimulate a programme for the prevention and correction of crippling conditions in children as well as a programme of rehabilitation and training for such children, a grant of \$500,000 was instituted in 1948-49. This grant remained at this same level (except for the increase due to Newfoundland's entry into Confederation) for 12 years or to 1959-60 after which it was fused with the Medical Rehabilitation Grant. The grant was distributed among the provinces on the basis of a flat amount of \$4,000 per province and the balance according to population.

Almost every province placed its emphasis on a different phase of the problem of crippling conditions in children, that is, from case finding, treatment, rehabilitation, and research to the mobilization of community resources to supplement governmental assistance. The federal contributions under this grant from its inception to its amalgamation amounted to \$4,386,802, and were distributed by province as follows:

Newfoundland .....	\$ 90,885	Manitoba .....	\$ 302,691
Prince Edward Island .....	61,384	Saskatchewan .....	318,156
Nova Scotia .....	174,732	Alberta .....	290,095
New Brunswick .....	373,806	British Columbia .....	290,526
Quebec .....	1,134,848	Northwest Territories .....	18,932
Ontario .....	1,330,747	Yukon .....	—

#### (b) Medical Rehabilitation Grant

The grants established in 1948 had made provision to support specific rehabilitation activities under the Crippled Children, Tuberculosis Control, and Mental Health Grants, but no provision was made to support general rehabilitation activities. The provincial health surveys conducted under the Health Survey Grant indicated there was a need for more intensive and careful planning and co-ordination in the field of rehabilitation. In consequence, a specific medical rehabilitation grant was instituted in 1953-54 to assist the provinces in planning and providing medical and ancillary rehabilitation facilities and services, including the purchase of equipment and the training of personnel. The grant was set at \$500,000 in 1953-54, but was increased to \$1,000,000 for each of the succeeding years. The grant was distributed among the provinces on the basis of a flat amount of \$10,000 and the balance according to population. Having in mind that a future health insurance programme might include rehabilitation services, the grants distributed to provide services were made matching, but the grants distributed for the purchase of equipment and the training of personnel were made non-matching.

The grant was used to fill many of the gaps which had existed in the services for the handicapped. The use to which the grant was put varied from province to province but, in general, the services provided have included medical treatment, surgery, hospitalization, prosthetic appliances and, in some instances, outpatient maintenance. The federal contribution under the grant from its inception to its amalgamation amounted to \$2,948,976 and was distributed by province as follows:

Newfoundland .....	\$ 83,009	Manitoba .....	\$ 304,987
Prince Edward Island .....	27,618	Saskatchewan .....	308,620
Nova Scotia .....	119,827	Alberta .....	210,795
New Brunswick .....	191,001	British Columbia .....	384,887
Quebec .....	1,011,843	Northwest Territories .....	—
Ontario .....	306,389	Yukon .....	—

In the 1960-61 rearrangement of grants, it was decided to fuse the two grant programmes as they were both concerned primarily with rehabilitation, one of children and the other of adults. The available grants which in the last year of their independence had together amounted to a total of \$1.5 million, were raised to a combined grant of \$2.6 million distributed by province as formerly—a flat amount of \$10,000 and the balance according to population. Whereas the Crippled Children Grant had been non-matching, the combined grant followed the provisions of the Medical Rehabilitation Grant and is matching as regards service programmes but non-matching with respect to amounts spent on the training of personnel and the purchase of equipment.

The federal contributions under the Medical Rehabilitation and Crippled Children Grant programme for the two fiscal years it has been in operation are as follows:

	1960-61	1961-62
	(in thousands of dollars)	
Newfoundland .....	24	113
Prince Edward Island .....	9	13
Nova Scotia .....	47	34
New Brunswick .....	78	95
Quebec .....	367	533
Ontario .....	226	252
Manitoba .....	131	130
Saskatchewan .....	82	98
Alberta .....	86	113
British Columbia .....	109	233
Northwest Territories .....	—	—
Yukon .....	—	—
Total .....	1,159	1,615

#### (10) Child and Maternal Health Grant

This grant was one of three new grants added to the National Health Programme in 1953-54 simultaneous with the reduction in the Hospital Con-



struction Grant. This grant was instituted because the general health grants were not having as much effect in reducing maternal and infant mortality rates as had been expected, and it was felt desirable to specifically attack this area.

The grant was begun at \$500,000, doubled the following year to \$1,000,000, and doubled the next year to \$2,000,000 at which level it remained up to and including 1959-60. In 1960-61, it was reduced to \$1,750,000 following a general review of the impact of the hospital insurance and diagnostic services shared-cost programme on the National Health Grant programmes. The grant is distributed among the provinces on the basis of a flat amount of \$10,000 to each province and the balance distributed one-half in relation to the number of births in each province in the preceding five years, and one-half in relation to the number of infant deaths in each province in the same preceding five years.

The grant has been used for the training of medical specialists and nurses in maternity, new born, and paediatric care, for the extension of prenatal classes and baby clinics, for purchases of equipment to raise the level of care in hospital maternity departments, for immunization programmes against poliomyelitis and tuberculosis, and for research into problems relating to diseases of infancy and causes of death among mothers, infants, and small children. Progress has been made for infant deaths per 1,000 live births has fallen from 44 in 1948 to 27 in 1961; and maternal mortality from 1.5 per 1,000 live births to 0.46. Nevertheless Canada is still rated twelfth among the western countries with regard to infant mortality.

The federal contributions under this grant from its inception in 1953 to March 31, 1962, and for recent fiscal years are given below:

	to March 31, 1962	1959-60	1960-61	1961-62
	(in thousands of dollars)			
Newfoundland .....	307	42	20	32
Prince Edward Island .....	103	12	4	7
Nova Scotia .....	542	62	72	53
New Brunswick .....	437	42	42	39
Quebec .....	3,047	646	538	549
Ontario .....	2,687	470	388	394
Manitoba .....	705	162	74	76
Saskatchewan .....	745	112	80	68
Alberta .....	766	134	72	61
British Columbia .....	681	160	113	109
Northwest Territories .....	1	—	—	—
Yukon .....	6	—	—	—
Total .....	10,027	1,842	1,423	1,388

In summary, the following table seeks to set out the date of commencement and, where applicable, the date of amalgamation or termination of each grant, where the grant is of a continuing nature, as well as the cost-sharing and fiscal features attached to each grant.

Grant	Began	Ceased	Continuing	Financial Condition
1. Health Survey.....	1948-49	1952-53	No	Non-matching
2. Hospital Construction...	1948-49	—	Yes	Matching, cannot exceed specified amount per bed, etc., nor 1/3 of total project cost
3. General Public Health...	1948-49	—	Yes	Non-matching <sup>1</sup>
(a) Venereal Disease Control.....	1948-49	1960-61	—	Matching <sup>1</sup>
(b) Laboratory and Radiological Services.....	1953-54	1960-61	—	Matching <sup>1</sup>
4. Tuberculosis Control....	1948-49	—	Yes	Non-Matching
5. Mental Health.....	1948-49	—	Yes	Non-matching
6. Professional Training....	1948-49	—	Yes	Non-matching
7. Cancer Control.....	1948-49	—	Yes	Matching <sup>2</sup>
8. Public Health Research...	1948-49	—	Yes	Non-matching
9. Medical Rehabilitation and Crippled Children...	1960-61	—	Yes	Matching <sup>3</sup>
(a) Crippled Children...	1948-49	1960-61	—	Non-matching
(b) Medical Rehabilitation.....	1953-54	1960-61	—	Matching
10. Child and Maternal Health.....	1953-54	—	Yes	Non-matching

<sup>1</sup> Provinces to maintain standard and level of services as at level of expenditure reached in the fiscal year preceding introduction of federal grant.

<sup>2</sup> Commencing in 1960-61 projects for research and in 1962-63 projects for training personnel undertaken under this grant became non-matching.

<sup>3</sup> From this grant's inception, purchases of equipment, the training of personnel and the conduct of surveys and studies undertaken under this grant have been non-matching.

NOTE: A province may, subject to approval of the Minister of National Health and Welfare, use any uncommitted monies under all specific grants except Hospital Construction and Public Health Research for a short-term project falling under any one of the other grants except the two specified.

## PUBLIC WORKS

### 1. Okanagan Flood Control Project

Because of recurrent floods in the Okanagan Valley, the federal and provincial governments established a joint board of engineers in 1943, consisting of three officials of the Government of Canada and three of the Province of British Columbia. This Board in 1946 submitted a report recommending certain remedial works, and in 1948 the federal government, by P.C. 657 (February 26, 1948), approved the carrying out of such works.

P.C. 657 specified that the cost of the work should be borne 20% by the municipalites of the Okanagan Valley, 40% by British Columbia, and 40% by Canada. On this understanding, plans were drawn up whose estimated cost came to \$2.4 million. Disagreement between the municipalities as to apportionment of the municipal share of the costs led to the revocation of the preceding Order in Council and its replacement by P.C. 3159 (June 20, 1950). Under the new Order

in Council, the federal and provincial governments agreed to proceed on a 50-50 basis with the project, without municipal participation. Under this authority and on this basis, an agreement was entered into between Canada and British Columbia in August 1950. The federal share was to be 50% of an open-ended expenditure. The project was to be completed by March 31, 1953, but the completion date by subsequent amendments to the agreement was extended to March 31, 1959. The project has been completed, but a federal contribution will continue as the federal government has agreed to reimburse British Columbia annually one-half of the maintenance and operation costs.

Federal capital contributions to British Columbia on this project amounted to \$2,465,052, the last payment being made in 1959-60. The federal contribution to British Columbia on account of shared maintenance and operational costs amounted to \$37,110 in 1959-60, to \$28,246 in 1960-61 and to \$36,783 in 1961-62.

## 2. *Campbellton-Cross Point Bridge*

Under authority of P.C. 1958-40/1200 (August 22, 1958), Canada entered into an agreement with the Provinces of New Brunswick and Quebec on September 22, 1958, to construct jointly a bridge between Campbellton, New Brunswick, and Cross Point, Quebec, across the estuary of the Restigouche River. Canada was to contribute the sum of \$1,400,000 together with the engineering costs of that portion of the bridge constructed by Canada. Quebec and New Brunswick were each to contribute one-third of the balance of the costs up to a maximum amount of \$900,000 each, which meant Canada would bear all costs in excess of \$3.2 million for the bridge and causeway approaches. Canada was to build the bridge and causeway on the New Brunswick side and Quebec the causeway on the Quebec side. Thus New Brunswick would have to reimburse Canada for its share and Quebec would have to reimburse Canada or Canada Quebec, depending on the ultimate total cost of the project and the cost of the causeway to be built by Quebec. Canada is to remain responsible for the maintenance and repair of the bridge and the provinces for the maintenance and repair of their respective causeways.

Canada had been providing a ferry service at this point and the \$1.4 million outlay by Canada is equivalent to 100% of the amortized annual outlay of the federal government on the ferry. Canada agreed to bear the engineering costs as the bridge had to be designed to give clearance for navigation. The bridge was officially opened in November, 1961.

The net federal expenditures and the amounts paid to Canada by Quebec and New Brunswick as their share of works undertaken on their behalf by Canada are as follows:

	Canada	Quebec	New Brunswick
1958-1959 .....	\$ 159,985	\$ —	\$ —
1959-1960 .....	1,543,246	—	615,994
1960-1961 .....	1,659,543	400,000	170,429
1961-1962 .....	736,468	34,541	—
Total .....	\$ 4,099,242	\$ 434,541	\$ 786,423



The Province of Quebec spent \$465,459 to build and pave an approach to the bridge on its side of the border. The Province of New Brunswick spent \$113,577 to acquire land on their side of the bridge; therefore, the total contribution by each province now amounts to \$900,000 which is the maximum for which they are responsible.

### 3. *Campobello-Lubec Bridge*

Canada, by 7 Eliz. II, c. 23 (1958), gave statutory authority for the Province of New Brunswick to enter into an agreement with the State of Maine to build a bridge over navigable waters to join Campobello Island, New Brunswick, with Lubec, Maine. Canada, via the Canadian Maritime Commission, and New Brunswick had been paying an annual subsidy towards a ferry service between the Island and the mainland. Canada and New Brunswick agreed to share two-thirds (Canada) and one-third (New Brunswick) of that portion of the cost of the bridge assigned to Canada plus the cost of the approach to the bridge on the New Brunswick side. New Brunswick agreed to bear the entire cost of the connection from the existent New Brunswick highway to the bridge approaches. The bridge was officially opened in August 1962. The federal contribution payable to New Brunswick as the federal share of Canada's costs amounted to \$32,663 in 1960-61 and \$236,062 in 1961-62.

### 4. *Ottawa-Hull Bridge*

Under authority of P.C. 1961-142 dated February 2, 1961, Canada entered into an agreement with the Provinces of Quebec and Ontario to construct a bridge across the Ottawa River between the Cities of Ottawa and Hull. Under the agreement Canada is to acquire all privately-owned lands required for the project and to convey them for a nominal consideration to the province in which they are situated. Canada has the responsibility of constructing the bridge and the provinces their respective approaches. The provinces will each bear the cost of constructing the respective approaches and will each contribute one-third of the cost of constructing the bridge. Canada will maintain the bridge structure and will through its agent the National Capital Commission, undertake the landscaping of the project and the maintenance of the landscaping. The provinces will bear operational maintenance costs and will each contribute to Canada one-third of the structural maintenance costs. An "Engineering Liaison Board" on which Canada has two representatives, and Ontario, Quebec, Ottawa, and Hull each have one, is to co-ordinate the project.

Canada's net expenditure on this project in the 1961-62 fiscal year amounted to \$138,561. Quebec and Ontario reimbursed Canada \$85,351 and \$76,816 respectively.

### 5. *Mulgrave—Wharf*

Canada agreed to rebuild a private wharf at Mulgrave whose usefulness had been impaired by the construction of the Canso Causeway. Canada was to reconstruct the wharf and be reimbursed for one-third of the outlay by the Province of Nova Scotia and one-third by Acadia Fisheries Limited, users of the wharf. The federal net outlay as of March 31, 1962, amounted to \$41,419, Nova Scotia had contributed \$32,934, and the Acadia Fisheries Limited \$32,934.

## 6. *Moosonee Harbour Survey*

Canada in 1960-61 agreed to contribute \$50,000 towards a survey of the harbour at Moosonee, if Ontario contributed a like amount. Canada was to undertake the work and was to be reimbursed by Ontario. Canada has contributed \$45,502 to the survey, and Ontario \$45,719.

## 7. *Urban Redevelopment*

The National Housing Act, 1944, (sec. 12), now National Housing Act, c. 23, 1953-54, sec. 23, empowered the Minister of Public Works, with the approval of the Governor in Council, to make grants to municipalities to assist in defraying the cost of acquiring and clearing blighted areas. The land acquired and cleared by the municipalities was to be sold by the municipality to limited-dividend companies for the construction and operation of low rental housing projects. The federal government was to bear 50% of the net cost of the project to the municipality, that is, the cost of the land and its clearance, less the sale price to the limited-dividend company.

This provision of the National Housing Act was not used extensively for several reasons: (a) the land being in the centre of cities was expensive to acquire for redevelopment as residential property; (b) the existent population had to be rehoused before demolition could proceed. As a consequence, the Regent Park North project in the City of Toronto was the only project initiated under this section until its amendment in 1956. In that year redevelopment powers were greatly expanded. It became possible for the federal government to provide half the actual cost of acquiring and clearing blighted property during the course of the acquisition and clearance process. The purposes to which cleared land in urban redevelopment projects might be diverted were widened to permit any use consistent with an acceptable municipal plan provided that there was substantial housing content either before or after redevelopment. Following the change, but in all cases not necessarily due to the change, new redevelopment projects have been undertaken in Toronto (Regent Park South, Moss Park); Windsor; St. John's, Newfoundland; Montreal (Jeanne Mance); Halifax; Saint John; Hamilton; Sarnia; Winnipeg and Vancouver.

The federal contributions under section 23 are limited to \$50 million and the actual contributions up to March 31, 1962, amounted to \$10,741,111. The expenditures for recent fiscal years have amounted to \$755,745 in 1959-60, to \$1,840,170 in 1960-61, and to \$3,131,244 in 1961-62.

The individual projects undertaken under this programme are listed below as well as the federal contribution to each.

- (a) *Toronto—Regent Park North*; P.C. 3090, July 20, 1948, and P.C. 1953-30/691, May 7, 1953. Canada contributed \$1,362,000 to this project which was equal to one-half of the difference between the cost of acquiring and clearing the blighted land, 42 acres in extent, in the Regent Park North area and the sale price of the land to the Housing Authority of Toronto, a municipal limited-dividend company. The final payment was made in 1958-59 in the amount of \$12,913 which was the cost incurred by Central Mortgage and Housing Corporation in administering the agreement between the Minister of Public Works and the City of Toronto under section 12 of the Act (now section 23). The

remainder of the federal contribution, \$1,349,087, was paid to the City of Toronto. Housing units to the number of 1,289 have been completed on this site.

- (b) *St. John's, Newfoundland*; P.C. 1954-281, February 25, 1954. Canada contributed \$15,003 to the City of St. John's to assist in acquiring and clearing a substandard area of some five acres for the construction of a federal-provincial low-rental housing project of 46 dwelling units. Payment was made in 1959-60.
- (c) *Toronto—Regent Park South*; P.C. 1955-885, June 15, 1955. Canada has contributed up to March 31, 1962, \$1,781,689 under an agreement with the City of Toronto to acquire and clear a blighted area of 26.5 acres known as Regent Park South. Canada was to bear one-half of the cost of such acquisition and clearance less the sale price of the land. The land is the site of a federal-provincial low-rental housing project of some 732 dwelling units. The federal contributions in 1959-60 were \$37,532; in 1960-61 \$11,767; and in 1961-62 \$5,087.
- (d) *Montreal—Les Habitations Jeanne-Mance*; P.C. 1956-1202, August 2, 1956, and P.C. 1961-817, June 8, 1961. Canada has contributed up to March 31, 1962, \$3,509,663 towards the acquisition and clearance of a 20 acre site in the Jeanne-Mance redevelopment project in Montreal. Low-rent housing for 796 families has been built on the site under section 36 of the National Housing Act. The federal contribution amounted in 1961-62 to \$1,045,878.
- (e) *Halifax—Jacob Street*; P.C. 1957-1728, December 26, 1957. Canada has contributed up to March 31, 1962, \$843,278, to acquire and clear a site of 16.8 acres, initially 12.8 acres, in the vicinity of Jacob Street for re-use for commercial and residential purposes. The federal share of the project's cost is estimated at \$1,300,000. The federal contributions in 1959-60 were \$191,772; in 1960-61 \$284,801, and in 1961-62 \$223,152.
- (f) *Windsor—Central area*; P.C. 1959-47, January 14, 1959. Canada has contributed up to March 31, 1962, \$586,502 towards the acquisition and clearance of 24 acres in the vicinity of the new City Hall to provide land for low-rental housing as well as sites for civic and institutional purposes and for private housing. The estimated federal share of the project is \$1,991,260. The federal contribution amounted to \$200,818 in 1959-60; to \$144,116 in 1960-61; and to \$241,568 in 1961-62.
- (g) *Halifax—Maitland Street*; P.C. 1959-566, May 7, 1959. Canada has contributed up to March 31, 1962, \$110,075 towards the acquisition and clearance of a blighted city block on Maitland Street for commercial use. The federal share of the project's cost was initially estimated at \$90,000. The federal contributions amounted to \$28,559 in 1959-60 to \$44,188 in 1960-61, and to \$37,328 in 1961-62.
- (h) *Toronto—Moss Park*; P.C. 1959-774, June 18, 1959, and P.C. 1962-922, June 22, 1962. Canada has contributed up to March 31, 1962, \$2,403,054 towards the acquisition, clearance and replanning of a 16 acre site in the vicinity of Moss Park for an extension of the Park, the site of an



institutional building, and residential development. The federal share of the project's cost is estimated at \$4,250,000. The federal contribution amounted to \$282,061 in 1959-60, to \$1,355,298 in 1960-61, and to \$765,694 in 1961-62.

- (i) *Saint John, New Brunswick*; P.C. 1960-503, April 13, 1960. Canada has contributed up to March 31, 1962, \$149,585 towards the acquisition and clearance of a 57 acre site in the eastern part of the city in the vicinity of Prince Edward and St. Patrick Streets for residential, commercial, and light industrial purposes. The federal share of the project's cost is estimated at \$1,612,664. The federal contribution in the year ending March 31, 1962 amounted to \$149,585.
- (j) *Sarnia—Bluewater area*; P.C. 1960-749, June 2, 1960. Canada has contributed up to March 31, 1962, \$448,125 towards the acquisition and clearance of 172 acres of residential land situated in the midst of the petrochemical industrial area of the city for industrial purposes. The federal share of the project's cost is estimated at \$1,585,000. The federal contribution amounted in 1961-62 to \$448,125.
- (k) *Vancouver—East End*; P.C. 1960-862, June 23, 1960. Canada has contributed up to March 31, 1962, \$214,827 towards the acquisition and clearance of 36 acres in two blighted areas, one in the east end redevelopment area of downtown Vancouver and the other on the south side of False Creek. The cleared land will be used for industry, recreational purposes, and public housing. The federal share of the project's cost is estimated at \$2,401,280. The federal contribution amounted in 1961-62 to \$214,827.
- (l) *Winnipeg—Main Street*; P.C. 1961-1408, September 28, 1961, authorized the Minister of Public Works to enter into an agreement with the City of Winnipeg to contribute an estimated \$3,689,500 to acquire and clear some 49 acres of land west of Main Street and north of the C.P.R. tracks. The land will be used for commercial, industrial, and housing purposes.
- (m) *Hamilton—Van Wagner's Beach*; P.C. 1962-696, May 12, 1962, authorized the Minister of Public Works to enter into an agreement with the City of Hamilton to contribute an estimated \$1,000,000 to acquire and clear 72 acres in the Van Wagner's Beach area. The land will be used as a public park and recreational area.

## 8. Urban Renewal Studies

In 1956, Part V, "Housing Research and Community Planning" of the National Housing Act was amended (1956, c. 9) to empower the Corporation, with the approval of the Governor in Council, to

"make arrangements with a province or a municipality, with the approval of the government of the province, to conduct special studies relating to the condition of urban areas, to means of improving housing, to the need for additional housing or for urban renewal" (ss. (b) of sec. 33).

This amendment was designed, as was the amendment in the same year to section 23, referred to under "Urban Redevelopment", to stimulate the interest of municipalities in attacking the problem of slum clearance. The studies were intended to enable municipalities to determine the extent and location of areas requiring urban redevelopment and to estimate housing deficiencies and needs in the community. The studies were also thought of as essential to a sound assessment by the Corporation of subsequent applications from municipalities under section 23. Under this provision the Corporation as agent for Canada makes a grant towards the cost of the study. The amount of the grant is specified in each arrangement and may be up to 75% of the total cost of a city-wide study and up to 50% of the cost of studying a specific area.

Under this provision Canada has approved contributions in the period 1956 to 1962 inclusive to 39 studies. In nine cases the studies have been followed by redevelopment projects. The grants approved amount to \$735,346, of which \$130,000 was in calendar year 1961 and \$36,000 in calendar year 1962. The amount of the grants and the number of municipalities undertaking studies are listed below:

	Amount	No. of Municipalities
Newfoundland .....	\$ 39,561	3
Prince Edward Island .....	—	—
Nova Scotia .....	23,990	2
New Brunswick .....	25,918	2
Quebec .....	218,088	6
Ontario .....	218,690	11
Manitoba .....	70,150	4
Saskatchewan .....	37,687	2
Alberta .....	11,250	1
British Columbia .....	87,512	7
Yukon Territory .....	7,500	1
Total .....	\$ 735,346	39

### 9. *Land Assembly and Low-rental Housing*

Under Part VI of the National Housing Act pursuant to agreements between the Government of Canada and the government of any province, Central Mortgage and Housing Corporation may undertake with the government of the province or any agency of the province:

- (a) the acquisition and development of land for housing;
- (b) the construction of housing projects for sale or rent; and
- (c) the acquisition, improvement, and conversion for housing of existing buildings situated in an area specified as an urban renewal area.

The provision for land assembly and construction of new low-rental housing was first authorized in 1949 (13 Geo. VI, c. 30) and was designed to facilitate public construction of low-cost housing for rent or sale to lower income families which construction had lagged because of the limited financial resources of the municipalities. In December 1960, the provision was extended to empower the Corporation to co-operate in the conversion of existing buildings to low-rental housing or for sale to low income families.

The programme was designed to produce self-liquidating or subsidized housing projects dependent upon the particular agreement covering each project. Whether self-liquidating or subsidized, the capital costs of each project and any subsequent profit or loss on sale or rental are to be shared 75% federal and 25% provincial. Any province is free to require the municipality in which the project is located to participate in the project and bear part of the province's share of the project's cost. As the projects are initiated by municipalities, they are usually prepared to bear part of the non-federal share of the project's cost.

The ten provinces have passed complementary legislation empowering their governments to enter into federal-provincial agreements for land assembly and housing (Prince Edward Island, the last province to enact such legislation, did so in 1960). While possessing the authority, two provinces, Prince Edward Island and Alberta, have not embarked upon joint federal-provincial land assembly and low rental housing. The projects that have been undertaken by joint inter-governmental agreement have taken four forms: (a) land assembly; (b) land assembly and rental housing construction; (c) rental housing construction, and (d) in Nova Scotia and Prince Edward Island construction of housing for sale to co-operatives. From 1949 to December 31, 1961, a total of 10,520 rental units had been approved in 86 projects of which 74 projects were fully completed and in which 8,113 dwellings had been transferred to the local housing authorities for administration. Rents for approximately 3,000 of these units were set at a level sufficient to recover capital costs and to meet operating expenses. For the remainder, rents which were related to family income and size were insufficient to pay capital and operational costs and the ensuing deficit was shared 75% federal and 25% by the province or municipality. In the case of Nova Scotia and Prince Edward Island, 1,010 units in the case of Nova Scotia and 103 units in the case of Prince Edward Island, have been approved for construction and sale to housing co-operatives of which 896 have been completed in Nova Scotia. Up to the end of calendar year 1961, land for 16,011 lots has been assembled or approved for assembly in four provinces: Newfoundland (766), Ontario (13,786), Saskatchewan (463), and British Columbia (996).

During this period (up to March 31, 1962), Canada has advanced as its share of the capital costs of land assembly and low rental housing, \$106,898,000, of which \$13,236,000 has been recovered either through amortization or sale of serviced lots, etc. Of the \$93,662,000 outstanding as of March 31, 1962, approximately 88% represented investment in rental housing projects and 12% in land assembly projects. During the same period the federal share of losses on operations and sales has amounted to \$1,985,335.



## ROADS AND TRANSPORTATION

### 1. *Trans-Canada Highway*

The Government of Canada has entered into agreements under the authority of the Trans-Canada Highway Act, R.S. 1952, c. 269, as amended by 4-5 Eliz. II, c. 12 (1956) to financially assist the provinces to construct a paved two-lane highway from St. John's to Victoria.

The programme has to date involved a series of three consecutive agreements with nine provinces and a single agreement with Quebec. The first agreements with the participating provinces commenced in 1950, with the exception of Nova Scotia whose participation commenced in 1952, and were replaced by second agreements in 1956. The third agreements merely extended the terminal date of the second agreements from May 31, 1961, to May 31, 1964. The agreement with Quebec was entered into on October 27, 1960.

Under the first agreements Canada agreed to pay 50% of the cost to the provinces of the construction of a trans-Canada highway to the standards and routes specified in the agreements. The shareable costs were not to include the acquisition of right-of-way and inter-connections with other roads. In the case of existing roads that were incorporated into the trans-Canada highway, the federal government agreed to reimburse the provinces up to 50% of the costs of the incorporated prior construction. The prior construction whose costs were shareable must have occurred between April 1928 and December 1949. In order to prevent certain provinces receiving a revenue wind-fall under the prior construction clause, the agreements specified that the amount paid in prior construction costs should bear the same ratio to the total prior construction costs as the amount paid on new construction costs bore to the total new construction costs. The agreements under the original Act provided that the construction of the trans-Canada highway should be completed by December 1956, and that the federal share of the costs should not exceed \$150,000,000.

By 1955, it became clear that the highway would not be completed by 1956, that the provinces were unable to give it the requisite financial priority and that to complete the highway the shareable costs would exceed the \$300,000,000 originally estimated. In consequence, the federal legislation was amended to extend the time of completion from December 1956 to December 1960, and to increase the allowable federal contribution from \$150 million to \$250 million. Further to facilitate the closing of the gaps where the highway was non-existent, the federal government agreed to pay 90% of the shareable costs over 10% of the highway in each province. The sections of the highway, 90% of whose shareable costs would be borne by the federal government, were to be selected by the provinces in agreement with the federal Minister of Public Works but such sections were not to be less than five miles in length. To further facilitate the highway's completion, the average annual provincial expenditure on the highway was not to fall below the average provincial expenditures for the two years 1954 and 1955. All provincial claims for reimbursement for prior construction were to be completed by December 1957. This agreement also allowed provinces to incorporate into the trans-Canada existing highways which were not

up to the standard specified for the trans-Canada but which were paved to a satisfactory provincial standard. Canada's participation in cost-sharing was, however, to remain limited to those portions of the highway which were constructed to trans-Canada standards.

Under these agreements the provinces were responsible for the construction of the highway to the standards specified; they retained proprietary interest in the highway, and on its completion were responsible for its maintenance. The provinces were entitled monthly to claim payment on account of the cost of the previous month's new construction and the federal government was empowered to hold back 10% of the claimed cost until that portion of the highway was satisfactorily completed.

The federal government was to be responsible for the construction and entire cost of those portions of the trans-Canada highway which traversed national parks.

In 1960, the Trans-Canada Highway Act was further amended to extend from December 31, 1960, to December 31, 1963, the period during which the federal government would continue to share provincial expenditures on the trans-Canada, and from May 31, 1961, to May 31, 1964, the date by which final financial settlement is to be made. The aggregate federal contribution which had been raised to \$350 million in 1959 was raised again to \$400 million.

As of March 31, 1962, the following mileage was completed and the following payments made:

	Total Mileage	Mileage Paved	Federal Payments to Provinces
Newfoundland .....	540	182	\$ 28,630,427
Prince Edward Island .....	71	71	5,830,957
Nova Scotia .....	318	302	15,419,994
New Brunswick .....	390	361	35,971,257
Quebec .....	398	296	2,702,726
Ontario .....	1,453	1,259	106,461,626
Manitoba .....	309	307	17,828,979
Saskatchewan .....	406	406	15,356,955
Alberta .....	282	282	21,481,825
British Columbia .....	552	489	95,605,937
National Parks .....	140	105	—
Total .....	4,859	4,060	\$ 345,290,683

During the 1957 construction season, Saskatchewan completed its portion of the highway. Alberta completed its portion in 1960, and Prince Edward Island in 1961. On September 3, 1962, the Prime Minister at Roger's Pass presided at a ceremony signifying that the trans-Canada was now open to vehicular traffic over its entire length, although not all of it was yet up to specified standards.

The annual federal contributions to the trans-Canada highway programme by province are set out below for recent years.

	1959-1960	1960-1961	1961-1962
Newfoundland .....	\$ 5,353,271	\$ 6,579,175	\$ 2,238,870
Prince Edward Island .....	1,172,315	551,095	299,900
Nova Scotia .....	3,128,648	3,257,089	1,767,818
New Brunswick .....	8,121,192	3,461,086	2,357,076
Quebec .....	—	—	2,702,726
Ontario .....	18,436,104	17,868,569	13,003,667
Manitoba .....	1,724,710	542,340	857,335
Saskatchewan .....	32,770	33,522	70,972
Alberta .....	1,066,131	268,230	654,594
British Columbia .....	14,228,867	16,135,375	12,530,660
Total .....	\$53,264,008	\$48,696,481	\$36,483,618

## 2. Roads to Resources Programme

While the immediate precedent for the Roads to Resources Programme approved by the Cabinet in February 1958, was the federal decision to participate with the Province of British Columbia in the construction of the Stewart-Cassiar road in northwestern British Columbia, the origins of this programme may be placed in the federal contribution to tourist and mining roads, begun in the late depression and administered by the Department of Mines and Resources. For the tourist highways and approach roads to national parks, the federal grant under that programme was 50% up to a specified maximum, and for mining roads, 66 2/3% of the provincial cost of approved projects. The construction costs contributed by mining interests were not shareable. At the 1945 Dominion-Provincial Conference, the federal government offered, in the post-war era, further to assist the provinces in the provision of new access roads to undeveloped mining and forest resources and approach roads to national parks. Although this offer was withdrawn on the failure of the Conference, the federal contributions to the Alberta section of the Mackenzie Highway during the years 1947-49 may be taken as a resurrection of this policy.

The four western provinces and Ontario have intermittently put forward requests for federal assistance to resource development roads. In 1956, for instance, British Columbia requested federal assistance to build a road from Cassiar to Stewart. The latter locality is situated at tidewater on the Portland Canal. British Columbia argued that such a road would drain the northwestern British Columbia hinterland behind the Alaskan Panhandle via a Canadian port and that as Cassiar was already connected by road to the Alaska Highway, it would give the southeastern Yukon an outlet to the sea and hasten the development of an area which was a federal responsibility. British Columbia offered to spend \$1,500,000 annually on this road if the federal government would match the provincial contribution. In the spring of 1957, British Columbia was advised that the federal government was favourably disposed to assist in the financial construction of the road on the basis suggested by that province.

The federal government subsequently decided to extend, to all provinces, the offer made to British Columbia, and on February 12, 1958, the provinces were



informed that the federal government would contribute \$1.5 million annually over a period of five years to each province to assist in the construction of access roads to areas of promising resources. It was subsequently decided to include roads which opened up areas of promising tourist potentialities as well as areas rich in natural resources and the time limit was to be adjusted to suit the capacity of each province to carry out the programme but the total federal contribution was to remain at \$7.5 million for each province. Agreements were signed with nine provinces, and that with Quebec was signed in 1960.

The following table sets out the mileage to be constructed with respect to each province, the estimated cost, the duration of the programme, the date the programme commenced in each province, and the date the agreement was signed.

	Mileage	Duration	Est. Cost	Starting Date	Date Agreement Signed
Nfld.....	318	11 years	\$ 16,058,800	June 26, 1958	Dec. 15, 1959
P.E.I.....	446	8 years	15,000,000	July 2, 1958	Dec. 15, 1959
N.S.....	489	8 years	16,880,437	May 2, 1958	Dec. 14, 1959
N.B.....	428	10 years	20,022,000	May 1, 1958	Dec. 14, 1959 <sup>2</sup>
Que. <sup>1</sup> .....	248	6 years	13,055,000	Oct. 18, 1960	Oct. 18, 1960
Ont. <sup>1</sup> .....	338	9 years	15,442,765	Nov. 6, 1958	Dec. 22, 1959
Man.....	693	8 years	19,370,000	May 27, 1958	Dec. 21, 1959
Sask.....	811	8 years	20,000,000	May 5, 1958	Mar. 11, 1960 <sup>3</sup>
Alta.....	446	7 years	20,380,000	Apr. 14, 1958	Dec. 23, 1959
B.C.....	321	5 years	20,500,000	Aug. 21, 1957	Nov. 4, 1958
Total.....	4,508		\$176,709,002		

<sup>1</sup> The agreed total to date. A residual clause in the agreements permits further projects to be added.

<sup>2</sup> Three supplementary agreements have been entered into with New Brunswick on May 23, 1960, May 25, 1961, and November 30, 1961.

<sup>3</sup> An agreement was signed with Saskatchewan on November 3, 1958, with respect to the Prince Albert bridge, one component of the programme in that province.

The table below indicates the federal contribution during the four years the programme has been in progress.

	1958-1959	1959-1960	1960-1961	1961-1962
	(in thousands of dollars)			
Newfoundland .....	—	333	798	800
Prince Edward Island .....	—	1,127	1,466	954
Nova Scotia .....	—	1,971	1,064	1,765
New Brunswick .....	—	885	784	1,210
Quebec .....	—	—	322	426
Ontario .....	—	119	1,504	1,649
Manitoba .....	—	956	1,602	1,678
Saskatchewan .....	750	961	1,940	806
Alberta .....	—	1,879	1,536	1,560
British Columbia .....	1,001	770	984	1,152
Total .....	1,751	9,000	12,000	12,000

### 3. *Railway Grade Crossing Fund*

From 1889, the Board of Transport Commissioners and its predecessors, the Railway Committee of the Privy Council and the Board of Railway Commissioners, have been concerned with the public safety at railway crossings. The Board's task, to ensure adequate safety, was rendered difficult when the scale of the protective works was dependent upon the financial resources of the railways and the municipalities. As a consequence, the Railway Act was amended in 1909 (8-9 Ed. VII, c. 32) to establish the Railway Grade Crossing Fund. The federal Parliament was for five years to vote the sum of \$200,000 annually into the Fund, and the Board was to approve disbursement from the Fund to improve safety at crossings in existence on April 1, 1909. Contributions from the Fund to any project were not to exceed 20% of its cost up to a maximum of \$5,000.

The reluctance of the municipalities to participate in the cost of grade separations and the great burden that would have fallen on the railways if required to proceed alone had made the Board more reluctant to insist on elimination of, or protection at, level crossings than was strictly desirable. Certainly while the federal contribution to the Fund of \$200,000 per annum was not increased until 1948, the federal share of the cost was raised from 20% to 25% in 1919, to 40% in 1926, to 60% in 1955, and 80% in 1958; and the maximum grant per project was raised to \$15,000 in 1919, to \$25,000 in 1926, to \$100,000 in 1928, to \$150,000 in 1950, to \$300,000 in 1955, and to \$500,000 in 1958.<sup>1</sup> In 1948, the annual federal contribution to the Fund was increased to \$500,000, to \$1,000,000 in 1951, and to \$5,000,000 in 1955. On January 31, 1958, the Minister of Transport announced that the federal government would contribute \$10,000,000 to the Fund in addition to the annual statutory contribution of \$5,000,000 in order to take care of the heavy demands on the Fund associated with construction of the Trans-Canada Highway. This additional \$10 million contribution was continued in 1959-60 and 1960-61 as an item in the annual Appropriation Act, but was reduced to a cash contribution of \$5 million and a commitment credit of \$5 million by the 1961-62 Appropriation Act.

The 1955 and 1958 Acts (3-4 Eliz. II, c. 41, and 7 Eliz. II, c. 40), which increased the federal contribution to the Fund and the federal share of project costs, relaxed other limitations on expenditure from the Fund. The 1955 Act for the first time allowed the Fund to contribute to the cost of improving or reconstructing existing grade separations and the 1958 Act allowed the Fund to contribute to the cost of the relocation of public utilities and the cost of placing reflective markings on railway cars. The 1958 Act increased for a period of three years (subsequently extended a further three years by 8-9 Eliz. II, c. 35 (1960)) the federal share of the costs of projects.

In the following, the degree and amount of federal participation from the Fund for various types of projects is indicated, the figures in brackets indicate

<sup>1</sup> During the decade 1930-1940 additional federal funds to the approximate amount of \$8 million were made available for highway crossing protection works in order to stimulate employment. In some cases the money was added to the Railway Grade Crossing Fund and its expenditure was governed by the conditions attached to the Fund. In other cases the money was not placed in the Fund and was not therefore subject to the rules governing the Fund. Such money was spent on level crossings and existing subway and overhead bridges without any limit as to date of construction and the federal contribution could rise to 100% of the project's cost. The usual federal contribution was 70%, although 100% was provided for works in a number of small municipalities. The annual parliamentary vote of \$200,000 to the fund was allowed to lapse in 1939 and was not renewed until 1947.

the temporary change in such participation authorized in 1958 and 1960. The total amount that may be applied towards the cost of (a) placing reflective markings on the sides of railway cars shall not exceed 60 (80) per cent of such cost; (b) in the case of a crossing at rail level the aggregate of 60 (80) per cent of the cost of such work (except for relocation of a public utility plant that is part of the work) or \$300,000 (\$500,000) whichever is the lesser, and 60 (80) per cent of the cost of such relocation, and (c) in the case of reconstruction and improvement of a grade separation, the aggregate of 30 (50) per cent of the cost of the work (except the relocation of a public utility plant that is part of the work) or \$150,000 (\$250,000) whichever is the lesser, and 30 (50) per cent of such relocation.

From the inception of the programme in 1909, until December 31, 1962, the federal government has contributed \$102,991,252 to the Fund (\$4,978,192 of which was voted from unemployment relief funds for highway crossing protection works). The funds voted to the Railway Grade Crossing Fund are cumulative, and the sums paid out from the Fund on protective works have been somewhat less than the sums contributed to the Fund. Until December 31, 1962, the amounts paid out of the Fund amounted to \$62,889,278 (including the \$4,978,192 aforementioned) and there were commitments outstanding to the amount of \$41,882,477. Seventy-six per cent of the total expenditures and commitments have been made in the five years 1958 to 1962 inclusive. The amounts paid out of the Fund from 1909 to 1962 and for 1962 are distributed by province as follows:

	1909-1962		1962	
	\$	%	\$	%
Newfoundland .....	292,743	0.5	—	—
Prince Edward Island .....	44,789	0.1	—	—
Nova Scotia .....	2,908,737	4.6	511,178	4.6
New Brunswick .....	2,899,909	4.6	573,434	5.2
Quebec .....	8,777,326	14.0	858,783	7.8
Ontario .....	31,959,068	50.8	5,936,538	53.8
Manitoba .....	2,574,755	4.1	1,030,180	9.3
Saskatchewan .....	2,917,094	4.6	392,719	3.6
Alberta .....	4,875,246	7.8	1,330,742	12.0
British Columbia .....	5,233,999	8.3	208,558	1.9
Non-allocated .....	405,612	0.6	200,601	1.8
Total .....	62,889,278	100.	11,042,733	100.

While the above table indicates the provincial distribution of contributions from the Fund, it does not indicate whether the payment was made to a railway, a public utility, a municipality, or a provincial government department for expenditure on projects in the province. The following table indicates the distribution of the Fund's contributions by project agent for the 1962 calendar year.

	\$	%
a. Railways .....	4,466,587	40.5
b. Public Utilities .....	201,384	1.8
c. Municipalities .....	4,022,781	36.4
d. Provincial Departments .....	2,351,981	21.3
Total .....	11,042,733	100.



Contributions are made to that body which has undertaken responsibility for the actual project and the distribution of the recipients of the contributions from the Fund does not reflect the distribution of the financial burdens of the railway grade crossing programme.

The following table indicates the distribution of the financial burden of the programme in the 1962 calendar year.

	\$	%
Expenditure by		
a. Railway Grade Crossing Fund .....	11,042,733	71.2
b. Public Utilities .....	60,351	0.4
c. Municipalities .....	1,859,796	12.0
d. Provinces .....	1,481,348	9.6
e. Railways .....	1,053,493	6.8
Total Expenditures on Projects in 1962 .....	15,497,721	100.

As for the provinces, their contributions to crossing protection and grade separation vary with province and with project even within a province. In general, the provinces confine their participation to railway crossings on provincial highways, which means that most urban projects are shared by the railways, federal government, and urban municipalities, and most rural projects by the railways, federal and provincial governments. While the municipal or provincial share varies and is subject to determination by the Board of Transport Commissioners, the municipal and/or provincial contribution is usually 25%, having been reduced from 30% following the increased federal participation of 1955. However, during the period of six years authorized by 1958 and 1960 amendments, the formula of apportionment is to be

- (a) grade separation projects whose total cost is less than \$625,000, Fund 80%, railways 5%, highway authority 15%;
- (b) automatic protection at level crossings, Fund 80%, railways 7½%, highway authority 12½%.

#### 4. *Schools of Navigation and Seamanship*

Under the Canadian Shipping Act, the Department of Transport is empowered to provide instruction to candidates desiring to secure certificates of competency as Masters and Mates. Under this authority the Department for some time directly operated schools providing the necessary instruction, but as this activity infringed on the provincial education sphere, the Department sought to transfer the schools to the provinces and to contribute a federal subsidy towards their operation. The transfer was individually negotiated and the ensuing agreements were tailored to each local situation and were not uniform between provinces nor between similar schools in the same province. Previous to January 1, 1962, the Department of Transport was fulfilling agreements with respect to Schools of Navigation and Seamanship with Nova Scotia and British Columbia Departments of Education and the Quebec Department of Youth.

In 1951, an agreement was entered into with Nova Scotia to take over the federal school and the federal government agreed to contribute an annual grant equivalent to 50% of the operational costs. It was anticipated the school fees would reimburse the province for the remainder of the costs. When this expectation did not materialize, the agreement was amended, (T.B. 499039 of June 22,

1956) and the federal contribution was raised to 70% of the operational costs, with the province to bear any further costs not met out of fees.

In Quebec, the federal government paid 50% of the salaries at the Montreal School and provided the facilities. At Grindstone, the federal government paid 50% of the operational and equipment costs. In British Columbia, Canada paid 50% of the salaries of the instructional staff.

On April 1, 1961, the Halifax school was placed under the Technical and Vocational Assistance Training Act administered by the Department of Labour. All remaining schools supported by the Department of Transport were placed under the Technical & Vocational Training Assistance Act on January 1, 1962. As a result all training in navigation has been placed under Programme No. 8 of the Technical and Vocational Training Agreement. Under this arrangement, Canada through the agency of the Department of Labour, reimburses the provinces for 75% of their expenditures on the navigation training programme and the Department of Transport has ceased to make a financial contribution. The federal expenditures in 1958-59 were \$11,126, in 1959-60 \$15,061, and in 1960-61 \$18,244.

#### 5. *Marine Engineering Schools*

Under arrangements as varied as those listed above, the Department of Transport has made contributions to the Newfoundland and Nova Scotia Departments of Education and the Quebec Department of Social Welfare and Youth to assist them in providing instruction for marine engineers to enable them to qualify for certification by the Department of Transport as Marine Engineers. When the Dominion Marine Association ceased to provide this type of instruction in Ontario, negotiations were begun with the Ontario Department of Education to provide the training. As with Navigation Schools, Marine Engineering Schools have been brought under Programme No. 8 of the Technical and Vocational Training Agreements in Ontario and Quebec with a pattern of federal contributions similar to that mentioned above with respect to Navigation Schools.

The federal contribution to provinces in 1958-59 under this programme was \$8,774, in 1959-60 \$8,871, and in 1960-61 \$490.

#### 6. *Canal Bridge Replacement*

The Department of Transport is responsible for the replacement of obsolete bridges on highway canal crossings where roadways were in existence prior to the construction of the canal. Where new road crossings are required over the existing canal, the responsibility lies with the provincial or municipal authority. Since 1949, the Department has pursued a policy that in replacing its bridges on provincial highways or main county roads, its obligation is limited to a replacement by a bridge with a 15 ton loading capacity, a 24 foot roadway, and one sidewalk. Where the province or municipality wanted to construct a more expensive structure, the Department's policy has been to make a contribution equal to the estimated cost of building a bridge to the above specifications.

In 1958-59, Ontario built a new high level bridge over the Trent Canal to replace a bridge which had been built in 1898 by the Department of Railways and Canals and since maintained by the Department of Transport. The federal contribution was \$55,000, the estimated cost of replacement of the existing bridge

by one fitting the above specifications. Ontario was to maintain the new bridge and the Department of Transport was to remove the old bridge.

In continuance of this policy, the Department in 1959-60 and 1960-61 made a contribution of \$75,000 and \$198,750 to the City of Ottawa and the County of Carleton respectively to replace swing bridges by high level fixed bridges over the Rideau Canal at Bronson Avenue, Ottawa, and Kars, Ontario.

## *7. Federal Subsidy to Municipal Airports*

Federal subsidies to municipally-owned airports owe their beginnings to the establishment in 1927 of a trans-Canada airway and the federal assumption of responsibility to promote the development of the facilities of such an airway. To stimulate the provision of the requisite facilities, the federal government in 1929 (P.C. 322, February 22, 1929) authorized the Department of National Defence to make two kinds of grants to municipal airports: (a) an operational grant equivalent to 50% of the cost to the municipality of operating an airport, and (b) a capital grant of up to \$10,000 per airport for the improvement of airport lighting systems.

Although the above system of grants was interrupted due to financial difficulties during the depression, the above grant system was not replaced until 1936, when the Department of Transport was established. Under P.C. 3166, December 14, 1936, the Department was empowered to make capital grants to municipal airports up to one-third of the capital cost of airport construction (excluding hangars and buildings). This subsidy programme was dropped on the advent of World War II when the federal government took over complete control of many municipal airports.

On the completion of an airport survey following the conclusion of the war and the designation of each airport as a military or civil airport, the federal government sought to encourage the municipalities to resume responsibility for civilian airports and an operational and capital subsidy was offered. The annual operational subsidy was to be equivalent to 5 cents per square yard of paved area at municipal airports used by scheduled air carriers and the capital subsidy to be \$25,000. The latter subsidy was payable toward capital projects undertaken by the municipality (which excluded the bulk of the facilities as these were built directly by the federal government through Trans-Canada Airlines, Department of National Defence, and the Department of Transport). Although the capital subsidy was small, the Department of Transport estimated in 1958 that from 1948-49 to 1956-57, approximately \$1,665,000 had been expended on capital grants to municipal airports and \$2.3 million on operational subsidies. Also during this period some \$18.7 million had been expended on large municipal airports, served by scheduled air carriers, through construction work contracted directly by the Department.

When on July 1, 1957, the ten-year period for which the above grants had been approved terminated, they were superseded by a revised system of operational and capital grants which is set out below.

### *(a) Current Operational Subsidy*

The inflexible grant per square yard of paved runways, taxi strips, etc., which bore no relation to the revenue-producing capacity of individual municipal airports, was replaced effective July 1, 1957, by a subsidy which bore



a direct relation to the net deficit on airport operational and maintenance account.

Under authority of P.C. 1958-955, July 4, 1958, Canada commenced on July 1, 1957, to pay subsidies to municipalities towards the operation and maintenance of municipal airports which serve Class I Scheduled Commercial Air Carriers. The federal subsidy was to amount to:

- (i) an amount equal to the airport's operating revenue where such revenue is less than one-half of the operating expenses (excluding depreciation and bond interest);
- (ii) an amount equal to the difference between the operating expenses (less depreciation and bond interest) and operating revenues where operating revenues are more than one-half of operating expenses (excluding depreciation and bond interest); plus
- (iii) a special amount equal to the yearly increase in the operating revenues over those of the previous year, unless the increase in revenues is due to an increase in landing fees. This special subsidy was to continue until the operating revenues plus subsidy were equal to operating expenses including depreciation and bond interest. Where the depreciation and bond interest were less than 20% of operating expenses, the special subsidy was to continue until the airport's operating revenues including subsidy exceeded by 20% the operating expenses exclusive of depreciation and bond interest.

The payment of the above subsidies was conditional on the airport being maintained and operated to the satisfaction of the Department of Transport, that the airport imposes landing fees, etc., in accordance with Government Civil Airport Fees Regulations and that airport revenue in excess of operating expenditure was to be used to reduce the airport's capital charges or to establish an airport development fund.

In 1961-62, 12 municipalities received airport subsidies to the total amount of \$114,000.

#### (b) Current Capital Assistance

In a policy approved by Treasury Board, T.B. 536635, October 6, 1958, the federal government assumed responsibility for mainline and supplementary airports and for development airports which were of national importance. With respect to development airports of less than national importance and to local airports, responsibility for capital works was to rest with the local authority operating the airport, with the federal government prepared to give capital grants on a 50-50 basis up to a maximum contribution of \$100,000 provided the airports were being built to D. C. 3 standards or better.

In 1961-62, the federal government made capital grants amounting to \$105,667 to 4 municipalities and one mining company for capital works. This amount included a grant for a small terminal building.

#### 8. *Miscellaneous Federal Shared-Cost Programmes re Airports*

These shared-cost programmes usually involve the extension of normal provincial or municipal facilities to airports such as the provision of access roads and sewage and water facilities. The federal government usually enters into an agreement or understanding to contribute part of the cost of the provision of such services. Listed below are some shared-cost programmes of this nature which have been entered into in recent years.

(a) Access Road to Halifax International Airport

Under authority of P.C. 1957-1014, July 31, 1957, Canada entered into an agreement with Nova Scotia by which that province agreed to build a hard surfaced road from Provincial Highway No. 2 to the new Halifax International Airport and towards which Canada agreed to contribute \$500,000 (50% of estimated cost). The federal contribution was to be paid in two instalments; half on completion of a gravelled road and half on completion of a paved road. In 1958-59, the first instalment of \$250,000 was paid, and in 1960-61 the final instalment of \$250,000. The province was to maintain the road on completion.

(b) Watermain to Vancouver Airport (Sea Island)

Under authority of T.B. 546338, April 2, 1959, the federal government agreed to make a capital contribution of \$196,000 to the Township of Richmond to assist in the construction of a watermain to Vancouver Airport. The municipality was to construct and maintain the water supply, but in the light of the federal contribution, the federal government users of water at the airport were to be provided with water until the federal contribution was amortized (over a period of 20 years). The federal contribution, 70% of the total cost, was determined by the relative consumption of the Township and of the consumers on the airport. In 1958-59, Canada paid Richmond \$98,399, and in 1959-60, \$97,602. In this connection the Township sets a water rate annually to recover the basic cost of water and sufficient revenue to meet the annual amortization payment to the Crown. All consumers pay at this rate and Richmond accepts in lieu of cash the accounts from the federal government crediting this against annual amortization payments.

(c) Watermain to Edmonton International Airport

Under authority of T.B. 550703, June 22, 1959, the federal government was authorized to enter into an arrangement with the Municipalities of Strathcona and Leduc and the Town of Leduc to construct a watermain from Edmonton to the new Edmonton International Airport. The federal government was to contribute \$290,000 towards the cost of the work estimated at \$810,000, the three municipalities to share the remainder equally. The federal contribution represented the estimated cost of a watermain from the city to the airport adequate for airport purposes alone. In return for the contribution, the airport was to be provided with water at cost.

(d) Road Diversion, Charlottetown Airport

Under authority of P.C. 1959-1380, October 29, 1959, the federal government agreed to contribute \$20,000 to the Province of Prince Edward Island to construct a road diversion required as a result of runway construction at the airport. The province was to build the road and maintain it.

(e) Airport By-pass Road—Terrace, British Columbia

Under authority of P.C. 1959-1904, November 26, 1959, the federal government agreed to contribute \$22,500 (50% of the estimated cost) to the Province of British Columbia for construction of a by-pass road for public traffic now using the airport. The province is to construct and maintain the by-pass as well as a road from the airport to a radio range site.

(f) Access Road to Beacon Site, R.M. 343, Blucher, Saskatchewan

Under authority of P.C. 1960-34/1428, October 20, 1960, the federal government entered into agreement with the Rural Municipality of Blucher to construct



a three mile gravel road from Provincial Highway No. 5 to a non-directional beacon site. Canada was to contribute \$6,000 towards the cost of the project which was estimated to cost \$12,000. If the cost exceeded \$12,000, Canada was to pay 65% of the said actual cost of the road in excess of \$12,000 to a maximum additional amount of \$1,675 together with a sum computed at the rate of 50% of cost of gravelling the road, not to exceed \$1,179. The municipality was to construct and maintain the road.

## **TECHNICAL AND VOCATIONAL TRAINING AND REHABILITATION OF DISABLED PERSONS**

### **A. Technical and Vocational Training**

#### *Historical*

The present statute providing for federal contributions toward vocational training programmes in the provinces has its genesis in three statutes, the Technical Education Act passed in 1919, the Youth Training Act passed in 1939, and the Vocational Training Co-ordination Act passed in 1942. The Technical Education Act, 1919, authorized a federal contribution of \$10 million to be expended over a period of 10 years to assist in any form of vocational, technical or industrial education to promote industry and the mechanical trades or to increase the earning capacity, efficiency, and productive capacity of those employed in such pursuits. The yearly grants to the provinces under this Act were allocated on the basis of a flat grant of \$10,000 to each province and the remainder to be distributed on the basis of population. At the end of the 10-year period, Ontario alone had earned its entire allotment and the Act was extended for further five-year period, in 1929, 1934, 1939, and 1944, to allow the other provinces to earn their allotment. Manitoba, the last province to earn its allotment, did not do so until fiscal 1948-49.

Because of the unemployment occasioned by the depression and the fact that all provinces but Manitoba had or nearly had exhausted their allocation under the Technical Education Act, the federal government in 1937 launched a conditional grant programme to promote and assist in the training of unemployed young people for gainful employment. For the first two years the programme was carried out under the annual Unemployment and Assistance Act, but in 1939 the Youth Training Act was passed to give the programme a more permanent status. The Act authorized federal contributions of \$1,500,000 annually for a three-year period to train youths between the ages of 16 and 30 for gainful employment whose parents were not in a financial position to provide such training. In 1942, the Youth Training Act was replaced by the Vocational Training Co-ordination Act, 1942, which continued the youth training and student aid programme and in addition broadened the conditional grant programme to include apprenticeship training, training of workers for war industries, tradesmen for the Armed Forces, and the rehabilitation through vocational training of personnel discharged from the Armed Forces. By subsequent amendments and orders-in-council, the above programme has been expanded to authorize federal contributions towards establishment of vocational correspondence courses, retraining of unemployed workers, training of supervisors and foremen, the training of disabled persons, and contributions towards the capital as well as operational costs of provincial



technical and vocational schools. The aforementioned programme was carried out under the Vocational Training Co-ordination Act, R.S. 1952, c. 286, as amended by 2-3 Eliz. II, c. 45 (1954) until these statutes were repealed and replaced by the Technical and Vocational Training Assistance Act 1960 (9 Eliz. II, c. 6).

The Technical and Vocational Training Assistance Act, while continuing the programmes and federal-provincial agreements entered into under its predecessor, is designed less to change the existent programmes than to give a shift in orientation and to intensify the provincial efforts going into technical and vocational training. The training programme under the Vocational Training Co-ordination Act was designed to provide training in manual skills and turn out craftsmen and tradesmen, whereas the training programme under the new legislation is, in addition, designed to train technicians and technologists to fill the vacuum between the tradesman and the professional engineer and scientist. This change in emphasis has required the provision of a range of capital facilities and teaching staff formerly lacking. The need to intensify provincial training efforts was occasioned by the paradox of increasing unemployment and an inability to fill the increasing demands of Canadian industry for skilled technicians. The shift in emphasis and in intensity of the programme has been secured by raising the federal contribution for a specified project above the 50% cost-sharing formula that has long characterized this programme.

*Technical and Vocational Training Assistance Act*  
*9 Eliz. II, c. 6 (1960)*

The above Act empowers the Minister of Labour to enter into agreement with any province for a period not in excess of six years under which Canada will make financial contributions towards provincial programmes:

- (1) for technical and vocational training which training is defined as follows:  
sec. 2(d) "technical and vocational training means any form of instruction, the purpose of which is to prepare a person for gainful employment in any primary or secondary industry or in any service occupation or to increase his skill or proficiency therein, and, without restricting the generality of the foregoing, includes instruction for that purpose in relation to any of the following industries or occupations:  
(i) agriculture, (ii) fishing, (iii) forestry, (iv) mining, (v) commerce, (vi) construction, (vii) manufacturing, (viii) transportation or communications, or (ix) generally, any primary or secondary industry or service occupation requiring an understanding of the principles of science or technology and the application thereof, except where such instruction is designed for university credit.";
- (2) for capital expenditure incurred by the province on training facilities which are defined as including buildings and physical plants, machinery and equipment used for technical and vocational training; and
- (3) for the continuation of any training project which had originated under the Youth Training Act, 1939, and been continued under the Vocational Training and Co-ordination Act, i.e., such programmes as student aid.

Canada will contribute to such provincial programmes of technical and vocational training when they are made available as follows:

- sec. 3(1) (a) for unemployed persons;
- (b) for the training of persons in technical or vocational courses given in regular secondary schools in the province where such training is given as a part of the regular secondary school programme;
  - (c) for the training of persons as teachers, supervisors or administrators to carry out technical or vocational training programmes;
  - (d) for persons over the regular school leaving age who have left school and who require training to develop or increase occupational skills;
  - (e) for apprentices;
  - (f) for supervisors in industries;
  - (g) for the training of persons in the skills of science or technology and the application thereof, except where such training is designed for university credit;
  - (h) for disabled persons; and
  - (i) section 8(a) for any person serving in the naval, army or air forces of Canada and for any person who formerly served in such forces and who has been approved for such training by the Minister of Veterans Affairs; and

(b) for any person, at the request of a department or agency of the Government of Canada, for employment in such department or agency or for employment related to any activity carried on by such departments or agency.

With respect to the sharing of the costs of the various programmes specified under the Act, the legislation states that Canada may contribute (1) up to 100% of the cost of training members of the Armed Forces, veterans, and employees of the Government of Canada; (2) up to 75% of the cost of the training of the unemployed; (3) up to 50% of the cost of training persons as part of the regular secondary school programme where the actual share contributed to each province will be determined by the allocation to each province of a flat basic amount plus an additional amount calculated on the basis of the province's youth population (15 to 19 years inclusive); (4) 50% of provincial capital expenditures on training facilities, an additional 25% of such capital expenses incurred before April 1, 1963, and an additional 25% of capital expenditure on alteration and repair of premises and the purchase of machinery and equipment incurred after March 31, 1963, when such expenditures were to provide training for unemployed persons; and (5) an amount equal to the provincial contribution for continuing programmes originally initiated under the Youth Training Act, 1939. In the determination of shareable costs incurred by the province under programmes to train persons as teachers, supervisors or administrators for technical and vocational training courses, and for the training of persons in the skills of science and technology, any financial assistance given to trainees to enable them to take the course will be shareable.

The Act empowers the Minister of Labour to undertake research which would assist in improving technical and vocational training and its suitability to the changing needs of the Canadian economy. This research may be undertaken by Canada alone or in co-operation with one or more of the provinces.

To advise the Minister on matters relating to the operation of the programmes, the Act established a Technical and Vocational Training Advisory Council along the lines of its predecessor, the Vocational Advisory Council. The new Council is to consist of 23 members rather than 21, appointed by the Governor in Council. There are to be an equal number of members representative of employers and employees with representatives from such other groups or interests as the Governor in Council may determine. The tenure of Council members is three years.

Under the authority of the new legislation, the federal government has entered into two separate agreements with all provinces. These agreements are:

- (a) The Technical and Vocational Training Agreement, and
- (b) The Apprenticeship Training Agreement.

#### *The Technical and Vocational Training Agreements*

The Technical and Vocational Training Agreements, which have been entered into with all the provinces effective April 1, 1961, superseded two other agreements which were effective in agreeing provinces\* up to March 31, 1961, (1) The Vocational and Technical Training Agreement (No. 2), and (2) The Special Vocational Training Projects Agreement. The latter Agreement had itself superseded as of April 1, 1959, two prior agreements, (1) The Vocational Training Agreement, and (2) The Vocational Correspondence Courses Agreement. In each instance the superseded agreements had their various programmes continued under the composite agreement with only slight changes and additions.

The Technical and Vocational Training Agreement which is to be effective from April 1, 1961, to March 31, 1967, provides for nine training programmes, for technical and vocational correspondence courses and for capital assistance for training facilities to be used for programmes under the Technical and Vocational Training Agreement as well as under the Apprenticeship Training Agreement. The various training programmes, etc., provided under the Technical and Vocational Training Agreement, and the federal contribution are given below.

I. Programmes:	Federal Contribution as % of Provincial Costs
1. Vocational High School Training (V.H.S.) .....	up to 50% with a maximum upper limit on federal contributions.
2. Technician Training (T) .....	50%
3. Trade and other Occupational Training (T.O.) ..	50%
4. Training in Co-operation with Industry (T.I.) ...	50%
5. Training of Unemployed (M) .....	50% to 75%
6. Training of The Disabled (R) .....	50%
7. Training of Technical and Vocational Teachers (T.T.) .....	50%
8. Training for Federal Departments or Agencies (G)	up to 100%
9. Student Aid (S.A.) .....	up to 50%
II. Technical and Vocational Correspondence Courses ..	50%
III. Capital Assistance .....	75% to 50%

\* Quebec never signed The Vocational and Technical Training Agreement (No. 2) and it did not renew the Vocational Training Agreement in 1954.



A description of each programme, etc., is detailed below.

### *I. Programme 1. Vocational High School Training (V.H.S.)*

Under this programme the federal government agreed to contribute a total of \$15,000,000 over the six-year period April 1, 1961, to March 31, 1967, towards the operational costs of courses of a technical, commercial, vocational, or occupational nature which are given as an integral part of the high school educational programme and to which one-half of the school time is devoted. The programme specifically excludes manual training, general shop and industrial arts courses, and vocational courses which lack orientation to a specific occupation or are given in composite high schools where enrolment and facilities are such as to make it impossible to attain the objectives of the programme—the development of skilled manpower in Canada.

The annual federal contribution which is not to exceed \$3,000,000 a year is to be allotted to each province on the basis of a flat \$30,000 to each province and \$20,000 to each territory, with the remainder distributed in proportion to the number of persons in the 15 to 19 years of age group. The federal contribution is not to exceed 50% of the province's costs which may be actual provincial operational costs of such facilities or authorized provincial grants towards the operating costs of approved secondary schools and courses. The province is required to submit for federal approval a list of the schools and courses which are eligible for federal assistance under this programme. It might be noted that federal assistance, which in the previous agreement was limited by a quota fixed for each province, is unlimited in the new agreement except for two programmes—this programme and the Student Aid Programme. For other programmes there is no allocation by province and no limit on the total amount specified in the agreement. The only limit will be the amount that Parliament in its wisdom annually decides to appropriate.

The federal contribution under this programme for 1961-62 amounted to \$1,964,730 and was distributed as follows:

Newfoundland .....	\$ 16,683	Manitoba .....	\$173,463
Prince Edward Island .....	43,821	Saskatchewan .....	186,400
Nova Scotia .....	130,619	Alberta .....	214,200
New Brunswick .....	137,700	British Columbia .....	227,800
Quebec .....	—	Northwest Territories .....	—
Ontario .....	823,800	Yukon .....	10,244

### *Programme 2. Technician Training (T)*

Under this programme the federal government will contribute 50% of provincial costs of operating a course for high school graduates in the principles of science, technology, engineering or business. The course may be a full-time day course, part-time day or evening, or a correspondence course of two to three years' duration. The emphasis is to be on the application of mathematical, technological, and scientific theory and principle. The federal government will not contribute financially if the course is for university credit.

The federal contribution under the programme for 1961-62 amounted to \$3,351,896 and was distributed as follows:

Newfoundland .....	\$ —	Manitoba .....	\$ 142
Prince Edward Island .....	—	Saskatchewan .....	72,053
Nova Scotia .....	10,099	Alberta .....	178,679
New Brunswick .....	6,319	British Columbia .....	—
Quebec .....	2,825,031	Northwest Territories .....	1,341
Ontario .....	258,232	Yukon .....	—

*Programme 3. Trade and Other Occupational Training (T. O.)*

The federal government will contribute 50% of provincial costs of operating approved courses for training, retraining or upgrading persons of post-school age who are not required to possess any academic standard but who will benefit from such instruction.

The courses are open to those who are employed or those who have not yet been employed. The courses may be full-time, part-time, day or evening, or correspondence. They may be of short duration, e.g., five or more days or of longer duration, e.g., up to two years. While the training is to be directed towards a specific occupational objective, basic courses in mathematics, science, etc., may be included where necessary.

The federal contribution under the programme for 1961-62 amounted to \$5,429,502 and was distributed as follows:

Newfoundland .....	\$ 35,378	Manitoba .....	\$ 66,095
Prince Edward Island ....	39,679	Saskatchewan .....	157,988
Nova Scotia .....	104,717	Alberta .....	695,561
New Brunswick .....	190,019	British Columbia .....	448,810
Quebec .....	3,376,263	Northwest Territories ....	22,479
Ontario .....	292,513	Yukon .....	—

The above three programmes may be said to have superseded the programmes carried out under the annual operational grant provided by the Vocational and Technical Training Agreement (No. 2) which had itself superseded on April 1, 1957, the Vocational Schools' Assistance Agreement. The annual operational grant under the Vocational and Technical Training Agreement (No. 2) was limited to \$15 million, to be expended on the basis of \$2.5 million for the first two years (1957-59), \$3 million for the third year, and \$3.5 million for each of the fourth and fifth years. The annual amount was to be allocated on the basis of a flat amount of \$30,000 to each province and \$20,000 to each territory, with the balance distributed between provinces and territories in proportion to their 15-19 year age group. The Vocational and Technical Training Agreement (No. 2) attempted to change the emphasis from the almost exclusive preoccupation with vocational training that had prevailed under the Vocational Schools' Assistance Agreement from 1945-46 to 1956-57 toward an increased emphasis on technical or technological training by insisting that at least 10% of the annual federal grant must be spent on the operational cost of technical institutes and at least 2% on technical teacher training. The new agreement as illustrated in the above three programmes indicates the main emphasis is henceforth to be on technical and technological training rather than on vocational training.

The federal contribution towards operational costs of provincial vocational and technical schools under the Vocational and Technical Training Agreement (No. 2) and its predecessor, the Vocational Schools' Assistance Agreement from 1945-46 to 1960-61 is set out in the following table. Quebec was the only province not to enter into a Vocational and Technical Training Agreement (No. 2).

Newfoundland .....	\$ 766,027	Manitoba .....	\$ 1,691,647
Prince Edward Island ....	474,619	Saskatchewan .....	2,272,527
Nova Scotia .....	1,581,303	Alberta .....	2,499,683
New Brunswick .....	1,617,299	British Columbia .....	2,416,252
Quebec .....	7,460,263	Northwest Territories ....	70,577
Ontario .....	10,193,286	Yukon .....	25,010
		Total .....	<u>\$31,068,493</u>



*Programme 4. Training in Co-operation with Industry (T.I.)*

Under this programme the federal government agreed to contribute 50% of the provincial costs of the training of supervisors and the retraining or up-grading of persons employed in an industry. This programme was designed for application to employed workers (not apprentices) in single industries or groups of industries. The provincial training authorities and the industries concerned are to join in arranging and financing the courses offered. The federal government only contributes to the expenditures incurred by the province.

The federal contributions amount to \$31,177 in 1961-62 and were distributed as follows:

Newfoundland .....	\$ —	Manitoba .....	\$ 1,000
Prince Edward Island .....	—	Saskatchewan .....	—
Nova Scotia .....	—	Alberta .....	214
New Brunswick .....	6,991	British Columbia .....	8,236
Quebec .....	12,278	Northwest Territories .....	—
Ontario .....	2,458	Yukon .....	—

The above programme supersedes and expands the programme designated under the Special Vocational Training Projects Agreement and its predecessor, the Vocational Training Agreement, as Schedule Q "Training of Foremen and Supervisors". The federal contribution under the Schedule Q programme from 1946-47 to 1960-61 amounted to \$122,066 and was distributed as follows:

Newfoundland .....	\$ —	Manitoba .....	\$ 348
Prince Edward Island .....	—	Saskatchewan .....	—
Nova Scotia .....	—	Alberta .....	6,982
New Brunswick .....	—	British Columbia .....	19,099
Quebec .....	63,225	Northwest Territories .....	—
Ontario .....	32,412	Yukon .....	—

*Programme 5. Training of Unemployed (M)*

The federal government contributes from 50% to 75% of the provincial costs of training or retraining unemployed persons to improve their employment opportunities and increase their trade or occupational competence. The persons eligible for training under the programme must be over sixteen years of age and be registered for employment with the National Employment Service. The selection of trainees is made by the province and the National Employment Service and if the trainees are to be trained for employment in a particular industry, the industry may have a representative on the selection committee. Courses up to a maximum of twelve months may be given under the programme but it was anticipated courses of six months' duration would be more normal. Training allowances paid to trainees under this programme are shareable costs, and in the case of trainees in receipt of unemployment insurance benefits, the increment required to bring their unemployment insurance benefits up to the level of the trainee's allowance is shareable.

The federal contribution will amount to 75% of approved provincial costs when the number of student training days under the programme exceeds in any fiscal year 7% of the province's adult population as of June 1959.

In 1961-62, 26,887 unemployed were trained under the programme and in each province the number of student training days exceeded 7% of the province's 1959 population and Canada reimbursed the provinces for 75% of their



training costs. The federal contribution amounted to \$3,941,585 and was divided among the provinces as follows:

Newfoundland .....	\$128,712	Manitoba .....	\$266,607
Prince Edward Island .....	28,660	Saskatchewan .....	231,592
Nova Scotia .....	314,251	Alberta .....	235,375
New Brunswick .....	270,807	British Columbia .....	599,103
Quebec .....	929,638	Northwest Territories .....	451
Ontario .....	936,389	Yukon .....	—

The above programme continues the programme designated under the Special Vocational Training Projects Agreement and its predecessor, the Vocational Training Agreement as Schedule M "Training of Unemployed Persons". The federal contribution under the Schedule M programme from 1948-49 to 1960-61 amounted to \$4,947,958 and was distributed by provinces as follows:

Newfoundland .....	\$ 49,103	Manitoba .....	\$ 595,016
Prince Edward Island .....	—	Saskatchewan .....	557,265
Nova Scotia .....	1,651,098	Alberta .....	842,102
New Brunswick .....	445,782	British Columbia .....	525,555
Quebec .....	98,688	Northwest Territories .....	6,374
Ontario .....	176,975	Yukon .....	—

#### *Programme 6. Training for the Disabled (R)*

The federal government under this programme contributes 50% of provincial costs of a programme involving the vocational assessment, and the technical and vocational training or retraining of disabled persons. The federal government will share the cost of any extra training allowances which may be required by disabled persons on account of their disability.

Training may be provided in regular provincial or municipal schools, in special schools for the handicapped, in universities, in private or on the job training. This is one of three programmes providing for university training under the Technical and Vocational Training Agreement. The other two are, Student Aid, and Technical and Vocational Teacher Training.

During 1961-62, 2,765 persons received training under this programme and the federal contributions amounted to \$368,186 and were distributed as follows:

Newfoundland .....	\$ 9,636	Ontario .....	\$192,954
Prince Edward Island .....	1,249	Manitoba .....	36,808
Nova Scotia .....	43,170	Saskatchewan .....	31,594
New Brunswick .....	33,888	Alberta .....	10,183
Quebec .....	—	British Columbia .....	8,704

The above programme is a continuation of a programme under the Special Vocational Training Projects Agreement and its predecessor, the Vocational Training Agreement, designated Schedule R "Training of Disabled Persons". The programme to train disabled persons originated in 1950-51 when disabled workers were trained under the Unemployed Workers Training programme. In 1954-55, the training of disabled persons was separated in four provinces from the training of unemployed and the separation was completed in the other provinces in the following fiscal year. The federal contribution towards the training of disabled persons under the prior agreement from 1954-55 to 1960-61 amounted to \$1,419,702 and the contributions by province were as follows:

Newfoundland .....	\$ 64,111	Ontario .....	\$520,754
Prince Edward Island .....	13,575	Manitoba .....	127,634
Nova Scotia .....	182,080	Saskatchewan .....	103,390
New Brunswick .....	262,037	Alberta .....	83,616
Quebec .....	—	British Columbia .....	62,505

*Programme 7. Training of Technical and Vocational Teachers (T.T.)*

Under this programme the federal government will contribute 50% of provincial costs of approved programmes to train persons in the art of teaching, supervision, or the administration of technical or vocational training programmes whether for vocational schools or institutes or in industry.

This programme is new and has no predecessor under the prior agreements. It was designed to provide staff for the great increase in facilities occasioned by the sharply increased federal capital assistance towards the provision of vocational and technical schools.

The federal contributions in 1961-62 amounted to \$212,642 and were distributed as follows:

Newfoundland .....	\$ 325	Ontario .....	\$129,796
Prince Edward Island .....	1,077	Manitoba .....	3,599
Nova Scotia .....	2,422	Saskatchewan .....	113
New Brunswick .....	8,743	Alberta .....	1,132
Quebec .....	55,000	British Columbia .....	10,435

*Programme 8. Training for Federal Departments and Agencies (G)*

The federal government will contribute 100% of the cost to the province of training members of the Armed Forces and up to 100% of the cost of training civilians for employment in a federal department or agency or for employment in an activity in which a government department has an interest. Under the latter provision, the training of marine engineers and navigators which had been formerly subsidized by the Department of Transport has been placed under the Technical and Vocational Training Agreement. The federal government contributed 75% of the cost of such training. For previous arrangements re training of marine personnel, see data paper on Roads and Transportation: Schools of Navigation and Seamanship.

The federal contribution under Programme 8 for 1961-62 amounted to \$26,833 and was distributed as follows:

Quebec .....	\$22,552
Ontario .....	4,159
Alberta .....	122

*Programme 9. Student Aid (S.A.)*

Under this programme the assistance to students at university (other than students in theology) and to nurses in training as initiated under the Youth Training Act of 1939 and continued under Schedule O "Youth Training" of the Vocational Training Agreement from 1948-49 to 1958-59 and under Schedule P "Student Aid" of the Special Vocational Training Projects Agreement for 1959-60 and 1960-61 was continued. Under it Canada agrees to contribute 50% of the provincial expenditure on bursaries or loans to university students and nurses in training up to a maximum allotment per province determined by the Minister. The province determines the amount of the assistance and whether it will be a loan or a bursary, and the purpose for which such assistance shall be used. Selection of recipients is made by a committee constituted by the Department of Education in each province on the basis of scholastic ability and financial need. The provinces have agreed that the maximum assistance per annum shall be \$1,000 for a university student and \$200 for a student nurse, but the demand for assistance is such that the maximum assistance is seldom given.

The federal allotment per province and the federal contribution for 1961-62, as well as the number of the recipients and the status of the assistance in each province is given below.

	Allotment	Contribution	No. of Recipients	Status of Assistance
Newfoundland .....	\$ 8,000	\$ 8,000	700	Bursary
Prince Edward Island .....	5,500	5,500	40	Loan
Nova Scotia .....	10,000	9,995	57	Loan
New Brunswick .....	15,000	—	47	Loan
Quebec .....	100,000	100,000	825	Bursary
Ontario .....	100,000	100,000	1,015	Bursary
Manitoba .....	7,500	7,500	65	Loan
Saskatchewan .....	30,000	30,000	130	Loan
Alberta .....	10,000	10,000	112	Bursary
British Columbia .....	30,000	60,000 <sup>1</sup>	1,125	Bursary
Northwest Territories .....	3,000	559	3	Bursary
Yukon .....	600	700 <sup>1</sup>	2	Bursary
Total .....	\$ 319,600	\$ 332,254	4,121	

<sup>1</sup> Includes payment of federal contribution for prior fiscal year of \$30,000 and \$300 respectively.

The federal allotment for student aid has remained unchanged since 1953-54, save for the adjustments that were rendered necessary by Quebec dropping out of the Vocational Training Agreement in 1954-55 and her re-entry in 1961-62 and the entrance of the two Territories. The federal allotment ceased to be changed in anticipation of the formation of the Canada Council and its entrance into the scholarship field.

The Youth Training Programme authorized by Schedule O of the Vocational Training Agreements covered more than a federal contribution towards a provincial programme of student assistance. The programme also provided for federal sharing of costs of provincial training courses for young persons over school-leaving age and not previously employed. The courses were of short duration in occupations in primary industry and homemaking. In 1959-60, when the Special Vocational Training Projects Agreement superseded the Vocational Training Agreement, the Schedule O programme was separated into its two component parts. A Schedule H programme involving student aid and a Schedule P programme involving training for primary industry and homemaking were established. The Schedule H programme of student aid was continued as Programme 9 under the Technical and Vocational Training Agreement, but the Schedule P programme was not continued as a separate entity. The training available under Schedule P may be secured under Programme 3, "Trade and Other Occupational Training".

The federal contributions under Youth Training from 1937-38 to 1958-59, and under Student Aid and Training in Primary Industry and Homemaking for 1959-60 and 1960-61 amounted to \$10,159,840 and are distributed as follows:

Newfoundland .....	\$ 252,058	Manitoba .....	\$ 632,200
Prince Edward Island ....	205,326	Saskatchewan .....	1,129,731
Nova Scotia .....	687,096	Alberta .....	838,530
New Brunswick .....	872,667	British Columbia .....	1,303,545
Quebec .....	2,349,171	Northwest Territories ....	1,773
Ontario .....	1,887,143	Yukon .....	600



## II. *Technical and Vocational Correspondence Courses*

The federal government contributes 50% of the provincial costs of preparing, revising, printing, and servicing provincial technical and vocational courses. The courses have to be approved by an interprovincial committee and the province receiving the aid has to make the courses available to residents of other provinces at the same rate it charges its own residents.

The federal contribution towards correspondence courses began in 1950-51 when a separate Vocational Correspondence Courses Agreement was entered into. The agreement was to be effective from April 1, 1950 to March 31, 1955, but was annually renewed until it was terminated on March 31, 1959, when provision was made to continue to share 50% of the cost of correspondence courses under Schedule C of the Special Vocational Training Projects Agreement.

The federal contributions from 1950-51 to 1960-61 and for 1961-62 are given below by province.

	1950-51 to 1960-61	1961-62
Newfoundland .....	\$ —	\$ —
Prince Edward Island .....	—	—
Nova Scotia .....	2,545	—
New Brunswick .....	1,832	706
Quebec .....	2,160	—
Ontario .....	20,421	—
Manitoba .....	932	50
Saskatchewan .....	—	—
Alberta .....	6,633	—
British Columbia .....	10,027	7,744
Total .....	\$ 44,550	\$ 8,500

## III. *Capital Expenditure*

Under the capital expenditure provision of the Technical and Vocational Training Agreement, the federal government has offered to contribute from the inception of the agreement up to April 1, 1963, 75% of the capital expenditures incurred by the provinces in the provision of training facilities. After April 1, 1963, the federal contribution will fall to 50% unless the capital expenditure is for the provision of training facilities for the training of unemployed and if the number of student (unemployed) training days in the fiscal year exceeds 7% of the adult population of the province as of June, 1959.

The capital costs incurred by a province in erecting, purchasing or altering buildings for training programmes under the Technical and Vocational Training Agreement and under the Apprenticeship Training Agreements are shareable except provincial expenditures on the purchase of land, cost of financing capital projects, property taxes, fire insurance permits, legal and counselling fees other than architect's and engineering fees, and damage costs are not shareable. Also, the provincial expenditure on shops or facilities for Industrial Art classes are not shareable.

The above federal contribution to the capital expenditures of the provinces on training facilities is a continuation of a programme begun in 1945-46 to assist vocational schools and continued after April 1, 1957, under the Vocational and Technical Training Agreements (No. 2). The capital allotment under the latter agreement was set at \$40 million, to be allocated between provinces in proportion to the 15-19 year age group (census 1956) and was available on a matching

basis to reimburse the provinces' expenditures for the five-year period ending March 31, 1962. The Vocational and Technical Training Agreement (No. 2) was, however, replaced as of April 1, 1961, by the Capital Expenditure programme under the new Technical and Vocational Training Agreements. The overall limit on federal expenditure and the limit per province under the Vocational and Technical Training Agreement (No. 2) had, however, been abolished as of December 20, 1960, on the proclamation of the Technical and Vocational Training Assistance Act and from the same date the 50% sharing of provincial capital expenditures was raised to 75%.

The federal contribution towards provincial capital expenditure on training facilities from their inception in 1945-46 to the termination of the Vocational and Technical Training Agreement (No. 2) on March 31, 1961, and for the first fiscal year 1961-62 under the new Technical and Vocational Training Agreement is given below:

	1945-46 to 1960-61	1961-62
Newfoundland .....	\$ 292,250	\$ 2,681,397
Prince Edward Island .....	238,507	80,078
Nova Scotia .....	468,340	433,112
New Brunswick .....	1,111,990	818,979
Quebec <sup>1</sup> .....	3,139,400	1,508,969
Ontario .....	6,825,994	8,624,665
Manitoba .....	548,128	475,113
Saskatchewan .....	2,059,002	598,106
Alberta .....	2,409,793	1,778,411
British Columbia .....	1,808,868	876,793
Northwest Territories .....	35,600	
Yukon .....	2,587	25,842
Total .....	\$18,940,459	\$17,901,465

<sup>1</sup> Quebec did not participate from April 1, 1957 to March 31, 1961 as she did not sign the Vocational and Technical Training Agreement (No.2).

#### *Apprenticeship Training Agreements*

These agreements were originally entered into in 1944 for a ten-year period and were renewed in 1954 for a further ten-year period. Under these agreements the federal government has agreed to share the costs to the provinces of training bona fide apprentices. A bona fide apprentice must be 16 years of age, subject to a minimum training period of two years of which no more than six months may be off-the-job training in a classroom. The provinces who entered into the agreements are required to maintain a formally regulated apprenticeship system with an organized training programme subject to provincial supervision.

The federal government, subject to the limitation of the annual appropriation, shares equally with the provinces the provincial cost of the apprenticeship training programme. The aspects of the programme whose costs are shareable are itemized in Appendix "Y" of the agreements and include such items as the cost of tools, text books, salaries of instructors, rental or purchase of machinery and its maintenance, accident insurance, supervision, development of training programmes, first aid, tuition fees, and weekly and travelling allowances to the apprentices for their periods of full-time classroom training.

All provinces except Quebec have entered into an Apprenticeship Training Agreement.

The federal contributions from fiscal 1944-45 to 1961-62 and for the individual fiscal years 1960-61 and 1961-62 are as follows:

	1944-45 to 1961-62	1960-61	1961-62
Newfoundland .....	\$ 275,941	\$ 34,637	\$ 95,136
Prince Edward Island .....	—	—	—
Nova Scotia .....	841,756	96,458	102,035
New Brunswick .....	778,549	98,833	88,456
Quebec .....	—	—	—
Ontario .....	4,632,717	564,634	565,004
Manitoba .....	925,416	80,786	114,430
Saskatchewan .....	1,210,814	152,697	146,599
Alberta .....	3,833,657	445,465	471,834
British Columbia .....	2,150,997	164,195	577,360
Northwest Territories .....	4,837	342	—
Yukon .....	—	—	—
Total .....	\$14,654,684	\$ 1,638,047	\$ 2,160,854

## B. Co-Ordination of Rehabilitation of Disabled Persons

In April 1953, the federal government entered into five-year agreements with all provinces but Quebec to establish in each province a Provincial Co-ordinator and staff to co-ordinate and bring together the divers rehabilitation services provided by various provincial departments, private agencies, etc., to organize a case finding and case referral system within the province and to enable thereby as many disabled persons as possible to assume gainful employment. It was felt the existing rehabilitation facilities due to dispersion of efforts were not rendering the maximum service of which they were capable.

Towards the salaries and expenses of the Provincial Co-ordinator and staff and towards the expenses incurred to ensure the rehabilitation of a disabled person (i.e., tools), the federal government agreed to match the provincial expenditure up to a maximum of \$15,000 per year per province. When new five-year arrangements were negotiated in 1958, the maximum annual limit per province was removed.

These agreements had no statutory basis but were entered into by Canada under the authority of an Order-in-Council and their expenditure was authorized by an annual vote for the Department of Labour in the Appropriation Act. In 1961 it was determined to give the programme a statutory basis and by giving the provinces assurance of the programme's permanency, encourage them to greater efforts. The Vocational Rehabilitation of Disabled Persons Act (9-10 Eliz. II, c. 26 (1961) was proclaimed in effect as of December 1, 1961, and authorized the Minister of Labour to enter into six-year agreements with any province to share on a 50-50 basis the costs of a comprehensive programme for the vocational rehabilitation of disabled persons. Disabled persons were to include those who were incapable of pursuing regularly any substantially gainful occupation because of physical or mental impairment, but disabled persons eligible for vocational rehabilitation under the Veterans Rehabilitation Act or a provincial workmen's compensation programme were excluded from the benefits of this Act.



The "comprehensive programme" contemplated by the legislation included the provision of assessment and counselling services, the provision of restoration, training and employment placement services, the training of counsellors or administrators for the rehabilitation programme, and the co-ordination of all activities in the provinces of voluntary and governmental agencies engaged in rehabilitation as well as making provision to ensure the existing services were utilized. The programme to be undertaken under this legislation was not to replace the medical rehabilitation programme currently conducted under the National Health Grants by the Department of National Health and Welfare, the vocational training of disabled persons conducted under the Technical and Vocational Training Assistance Act, nor the employment placement service provided the disabled through the Special Placement Services of the Unemployment Insurance Commission. The cost-sharing programme contemplated under this legislation was the continuance and intensification of the co-ordination of rehabilitation facilities and services already begun under the preceding agreements, the extension of the assessment and counselling services, and the supplementing of the existent medical and vocational rehabilitation programmes when they were inadequate or unavailable for particular individuals. All provinces but Quebec and Saskatchewan have signed agreements under the new legislation and agreements with those two provinces are under discussion. The new agreements are effective as of April 1, 1962.

The federal contributions under this programme from its inception in 1953 to March 31, 1962, and for several recent years are given in the accompanying table.

	to March 31, 1962	1959-60	1960-61	1961-62
Newfoundland .....	\$ 57,084	\$ 9,024	\$ 9,431	\$ 9,915
Prince Edward Island ....	14,668	2,890	2,519	3,069
Nova Scotia .....	67,723	10,635	14,341	15,994
New Brunswick .....	98,539	16,718	18,000	24,728
Quebec .....				
Ontario .....	129,822	21,026	25,000	40,403
Manitoba .....	105,937	9,774	25,056	35,011
Saskatchewan .....	182,702	19,163	25,635	49,569
Alberta .....	86,741	14,522	19,418	11,709
British Columbia .....	27,558	3,685	4,378	5,353
Total .....	\$ 770,774	\$ 107,437	\$ 143,778	\$ 195,751

## TOURIST FACILITIES

### *Camp Grounds and Picnic Areas Development Programme*

The federal government is engaged, in cooperation with the provinces, in two programmes aimed at the development of camp grounds and picnic areas. The first programme, called the Winter Work Camp Grounds-Picnic Areas Programme, places no limit on the total amount of the federal contribution or the sites of the developments. It takes the form of a winter works programme which has been annually renewed. The second, or Trans-Canada Highway Camp Grounds-Picnic Areas Programme, places the developments in a definite relation to the Trans-Canada Highway. The federal contribution is in proportion to the

number of camp and picnic sites in each province which is in turn proportional to the mileage of the highway in each province up to a maximum of \$2,000,000 for all provinces. The cost-sharing under this programme is not limited to work undertaken during the winter months as is the case with the first mentioned programme. Both programmes were conceived at the twelfth Federal-Provincial Tourist Conference held in Ottawa in November, 1957.

The federal contributions under both programmes since their inception have amounted to \$7,991,732 and have been distributed by year and by province as follows:

	1957-58	1958-59	1959-60	1960-61	1961-62
Newfoundland .....	\$ —	\$ 54,346	\$ 53,407	\$ 70,179	\$ 43,142
Prince Edward Island ....	—	2,120	14,561	10,444	7,750
Nova Scotia .....	556	24,014	51,646	51,803	33,396
New Brunswick .....	3,234	47,446	57,802	71,161	31,441
Quebec .....	—	—	—	9,915	28,913
Ontario .....	237,079	924,282	632,871	929,629	642,791
Manitoba .....	27,212	118,707	179,230	181,589	116,789
Saskatchewan .....	16,313	50,725	290,314	181,876	59,280
Alberta .....	39,485	138,302	221,876	265,622	195,321
British Columbia .....	167,772	363,494	392,502	410,218	541,177
Total .....	\$491,651	\$1,723,436	\$1,894,209	\$2,182,436	\$1,700,000

#### *Winter Work Camp Grounds and Picnic Areas Programme*

For five consecutive winters, federal assistance has been extended to the provinces for the development of camp grounds and picnic areas. The assistance has been offered with two purposes in mind: to provide added employment during the winter months, and to help the provinces meet the rapidly growing need for additional facilities for tourists.

The original federal offer, contained in a letter from the Minister of Northern Affairs and National Resources sent to the provincial Premiers on January 2, 1958, proposed a contribution of up to 50% of provincial expenditures on camp grounds-picnic areas construction during the period January 2 to May 31, 1958. Two important conditions were imposed on the federal contribution:

- (1) labour costs must represent at least one-half of the total expenditure; if the labour costs were less than half, the federal contribution was to be limited to the labour content;
- (2) all developments must be located on land owned or acquired by the provinces, construction to be carried out by the provinces or on their behalf, and ownership to be vested in the provinces.

As mentioned, this programme has been repeated annually each subsequent winter. The provinces have been annually informed by letter from the Minister of the federal government's continued participation and the letter has set out the conditions and terms of the federal participation which are essentially the same as specified in the letter of January 2, 1958 except that the period covered has been changed to conform with the Department of Labour's annual Municipal Winter Works Incentive Programme (i.e. November 1 to May 31).

The federal contribution for each fiscal year of the programme has been as follows:

	1957-58	1958-59	1959-60	1960-61	1961-62
Newfoundland .....	\$ —	\$ 54,346	\$ —	\$ —	\$ —
Prince Edward Island ....	—	2,120	—	—	—
Nova Scotia .....	556	24,014	31,243	8,845	27,807
New Brunswick .....	3,234	47,446	30,634	45,617	31,441
Quebec .....	—	—	—	9,915	28,913
Ontario .....	237,079	924,282	632,871	929,629	642,791
Manitoba .....	27,212	118,707	156,048	110,630	108,923
Saskatchewan .....	16,313	50,725	282,857	178,503	59,280
Alberta .....	39,485	138,302	221,876	265,622	195,321
British Columbia .....	167,772	363,494	305,372	305,893	539,553
Total .....	\$491,651	\$1,723,436	\$1,660,901	\$1,854,654	\$1,634,029

Newfoundland and Prince Edward Island ceased to participate in this programme after 1958-59. As the introduction of the camp grounds and picnic areas programme associated with the Trans-Canada was less restrictive, there being no seasonal limit nor limit on the type of costs that were shareable, these two provinces confined their participation to the latter programme.

*Trans-Canada Highway Camp Grounds and Picnic Areas Programme*

On August 11, 1958 the Federal Government through the agency of the Minister of Northern Affairs and National Resources sought the reaction of the provinces to a shared-cost programme to assist them in constructing camp grounds and picnic areas along the Trans-Canada Highway. When favourable replies were received a further letter on November 5, 1958 outlined the federal offer in detail and invited the provinces to attend a federal-provincial meeting to discuss the programme. This meeting was held in Ottawa on December 2, 1958. A letter to the Premiers, dated December 15, 1958 informed them that the letter of November 5, the Summary of Proceedings of the Conference of December 2, and a letter of acceptance from the provincial Premier would constitute the agreement between the federal government and the province. No formal agreement was to be required. All provinces except Ontario and Quebec sent letters of acceptance. Alberta, while formally accepting the programme, has not as yet participated.

The federal contributions for each fiscal year of the programme are:

	1959-60	1960-61	1961-62
Newfoundland .....	\$ 53,407	\$ 70,179	\$ 43,142
Prince Edward Island .....	14,561	10,444	7,750
Nova Scotia .....	20,403	42,958	5,589
New Brunswick .....	27,168	25,544	—
Quebec .....	—	—	—
Ontario .....	—	—	—
Manitoba .....	23,182	70,959	7,866
Saskatchewan .....	7,457	3,373	—
Alberta .....	—	—	—
British Columbia .....	87,130	104,325	1,624
Total .....	\$233,308	\$327,782	\$ 65,971



The main conditions governing the programme are:

- (1) the federal shares would be limited to 50% of the provincial costs up to a total federal contribution of \$2 million for all provinces;
- (2) the camp grounds will be spaced on the average at 100 mile intervals along the highway and the picnic sites at 50 mile intervals;
- (3) the federal contribution will be allotted by province on the basis of the maximum number of camp grounds and picnic areas eligible for assistance in each province, i.e., Trans-Canada Highway mileage divided by mileage intervals plus 1 in case of both camp grounds and picnic sites (see table below);
- (4) maintenance of the grounds as a provincial responsibility; and
- (5) the provinces will schedule as much work as possible in the winter months.

Two original conditions, that no charge be made by any province for the use of the facilities constructed, and that the maximum stay of a tourist in a camp ground should be limited to three days, were withdrawn and placed at the discretion of the provinces following discussions at the 1959 Federal-Provincial Tourist Conference.

#### TRANS-CANADA HIGHWAY CAMPGROUNDS—PICNIC AREAS PROGRAMME

Allocation of Federal Funds and Number of Campgrounds  
and Picnic Areas Agreed Upon, December 2, 1958

1	2	3	4	5	6	7
Province	TCH Mileage	Minimum No. of Camp- grounds to be completed	Maximum No. of Campgrounds eligible for Federal Assistance (Col. 3 plus 1)	Minimum No. of Picnic Areas to be constructed	Maximum No. of Picnic Areas eligible for Federal Assistance (Col. 5 plus 1)	Allocation of Federal Funds
Newfoundland.....	554	6	7	12	13	\$241,379
Prince Edward Island.....	71	1	2	2	3	68,966
Nova Scotia.....	311	3	4	6	7	137,931
New Brunswick.....	390	4	5	8	9	172,414
Quebec.....	400(approx.)	4	5	8	9	172,414
Ontario.....	1,436	14	15	28	29	517,241
Manitoba.....	309	3	4	6	7	137,931
Saskatchewan.....	406	4	5	8	9	172,414
Alberta.....	282	3	4	6	7	137,931
British Columbia.....	568	6	7	12	13	241,379
Total	4,727	48	58	96	106	\$ 2,000,000

#### WATER CONSERVATION

##### 1. *Canada Water Conservation Assistance Act, 1953, c. 21*

The above Act empowers the Minister of Northern Affairs and National Resources on the approval of the Governor in Council to enter into agreement with any province to provide federal contributions to provincial projects for the construction of dams and other works for the conservation and control of

provincial water resources. The legislation specifies that agreements are to require the province to carry out the project and the province must also carry out an ancillary programme of reforestation unless the agreement specifies otherwise. The province may delegate the carrying out of a project to local authorities.

The legislation limits the projects to which contributions may be made under the Act to those which, in the opinion of the Governor in Council, are of a major character.

The legislation also limits the federal contribution to an amount equal to that contributed by the province, but in no case may the federal contribution exceed  $37\frac{1}{2}$  per cent of the cost of the project. The degree of federal contribution was simply a codification of past practice, and in fact the Act was designed to formalize for the future a programme of water conservation which had been undertaken on the basis of *ad hoc* agreements during the late 'thirties to early 'fifties in the Province of Ontario, e.g., the Shand and Luther Marsh Dams on the Grand River, the Fanshawe Dam on the Thames, and the Conestogo Dam (Glen Allan) on the Conestogo River.

The more recent of these *ad hoc* agreements, which formed the basis for the Act, was entered into with Ontario in September 1953. Canada agreed to reimburse the Province of Ontario to the extent of  $37\frac{1}{2}$  per cent (to a maximum of \$2,025,000) of the cost of a dam on the Conestogo River, and the province agreed to secure the remainder of the cost (see P.C. 1953-35/1257 August 13, 1953).

By terms of the agreement, "dam" was defined to include the reservoir created by the dam, the acquisition of lands flooded thereby, access roads, and alteration of roads due to the creation of the reservoir.

In addition to arranging for construction and bearing its share of the costs, the province was to ensure maintenance of the project, to reforest not less than 30 square miles of the watershed by 1972, and to protect the fish and wildlife of the Grand River watershed. The province was empowered to delegate the actual carrying out of these responsibilities to the Grand River Conservation Commission. The federal government was required to give prior approval to all construction and reforestation plans.

The federal contribution on the above four dams amounted to \$4.3 million. The approximate dates of each project and the federal contributions are as follows: Shand Dam (1938-1942) \$769,319; Luther Marsh Dam (1950-53) \$87,744; Fanshawe Dam (1951-53) \$1,738,219; and the Conestogo Dam (1954-58) \$1,741,062.

Under the Canada Water Conservation Assistance Act proper there have been three agreements entered into, all are with the Province of Ontario. Their names and details are listed below:

(a) Upper Thames River Basin

Canada entered into an agreement with Ontario on January 25, 1961 (P.C. 1960-1751), to construct over a period of ten years the following works in the valley of the Upper Thames River for purposes of flood control and water conservation:

- Wildwood Dam on Trout Creek;
- Woodstock Dam on Thames River South Branch;
- Glengowan Dam on Thames River North Branch;

Thamesford Dam on Thames River Middle Branch;  
Cedar Creek Dam on Cedar Creek; and  
channel improvements at Mitchell and St. Mary's on the Thames River  
North Branch and at Woodstock on the South Branch.

The agreement estimates that the total cost of the programme is \$9,640,500 and Canada is to bear  $37\frac{1}{2}$  per cent of the cost or a maximum of \$3,615,200. Associated with the engineering works, the agreement requires the province to plan a reforestation programme in the Basin which programme must be completed by December 31, 1980. The Upper Thames River Conservation Authority is to be the agent of Ontario in carrying out the engineering and reforestation programme.

The federal contribution under this agreement for 1961-62 was \$34,931.

(b) Parkhill Dam (Ausable River Basin)

Canada entered into an agreement with Ontario on May 8, 1961, (P.C. 1961-26/530 April 6, 1961) to contribute towards the construction of a dam and drain on Parkhill Creek for purposes of flood control and water conservation in the Ausable River Basin. The project is estimated to cost \$825,620 of which Canada will bear  $37\frac{1}{2}$  per cent up to a maximum of \$309,607.50. The province undertakes in a manner satisfactory to Canada to zone the Klondyke and Thedford Marsh areas prior to completion of the Parkhill Dam and to ban construction of human habitations on the flood plain, as well as prepare a reforestation programme for the area which programme must be completed by December 31, 1980. The Ausable River Conservation Authority is to be Ontario's agent. This project was part of a larger programme put forward by the Ausable River Conservation Authority.

(c) Metro Toronto Conservation Programme

Canada entered into an agreement with Ontario on June 14, 1961, (P.C. 1961-856 June 13, 1961) to contribute towards the construction of dams, reservoirs and channel improvements on the Humber and Don Rivers and on Black Creek in the metropolitan Toronto region for the purposes of flood control and water conservation. The programme is to be completed over a ten-year period and is estimated to cost \$24,000,000, of which Canada will contribute  $37\frac{1}{2}$  per cent up to a maximum of \$9,000,000. The agreement further requires Ontario at its own expense to acquire and zone all flood plain lands in the metro Toronto region and within ten years construct for recreational purposes five dams on: Etobicoke Creek (1), Rouge River (1), Duffin Creek (2), and Highland Creek (1). The federal government declined to contribute to the latter two aspects of the programme as their utility was primarily recreational. As in the other agreements, the province is to plan and carry out a reforestation programme in the region by December 31, 1981. The cost of the projects to which Canada is not contributing is estimated at \$12.3 million for acquisition of flood plain land, and \$2.6 million for the dams and reservoirs.

The federal contribution under this agreement amounted to \$121,080 in 1961-62.

## 2. Red and Assiniboine Rivers Flood Control

In 1950, serious flooding occurred in the valleys of the Red and Assiniboine Rivers and more particularly at their confluence in the Winnipeg metropolitan



area. While the damage was extensive, an accurate estimate of the loss is difficult to determine. On flood fighting and rehabilitation, Canada and Manitoba Governments spent \$18.6 million (of which Canada contributed \$12.5 million) and the Manitoba Flood Relief Fund spent \$7.8 million from public subscriptions. While the Greater Winnipeg Dyking Board spent \$4.7 million (Canada contributed 75 per cent) on the construction of protective works, such as dykes, these works were not considered adequate to prevent a recurrence of damage from any serious flooding of the rivers.

At the request of the province and at a cost of \$411,000, the federal Department of Northern Affairs and National Resources carried out a series of studies (Red River Basin Investigation) which presented ten plans which would meet the flood threat in whole or in part and whose cost varied upwards from \$12 million, depending on the anticipated magnitude of the flood. The departmental report did not recommend any plan, leaving that decision to the Government of Manitoba in the light of its estimate of the cost benefit of each plan. In December 1956, Manitoba appointed a Royal Commission (Manning Commission) to make cost benefit studies of the various plans. In February 1959, the Commission reported in favour of a series of works which included a floodway to divert the flood waters of the Red River around Winnipeg, a channel at Portage la Prairie to divert the Assiniboine River into Lake Manitoba, a dam at Russell on the Assiniboine near the Saskatchewan border, improvement of the Fairford River outlet of Lake Manitoba into Lake Winnipeg in order to regulate the level of the former, a permanent diversion of the Seine River, a tributary of the Red, into the floodway, river channel improvements, and further suggested that consideration be given to a dam on the Pembina River, a tributary of the Red. The Province of Manitoba accepted the report of the Manning Commission and subsequently requested Canada to contribute towards the projects recommended by the Commission. After lengthy negotiations on cost-sharing, Canada and Manitoba entered into the following agreements.

(a) The Greater Winnipeg Floodway Agreement, dated May 28, 1962.

Under this agreement Manitoba undertook to construct within a period of ten years a floodway of some 32 miles in length, to carry the surplus waters of the Red River around Winnipeg. The acquisition of right of way, excavation, relocation of rail and road traffic, etc., are estimated to cost \$63,212,000, of which Canada will contribute  $37\frac{1}{2}$  per cent of the total cost of the project and a further  $37\frac{1}{2}$  per cent of the excavation costs to a maximum of \$36,974,000. The federal contributions of  $37\frac{1}{2}$  per cent of the project costs represent a similar contribution to that authorized for projects undertaken under the Canada Water Conservation Assistance Act, and the further contribution towards the excavation aspect of the project is in recognition of the fact that the extensive excavation is necessary because the headwaters of the Red River, being in the United States, preclude the erection of storage dams at that point. The shareable costs were backdated to November 25, 1960, the date on which Canada and Manitoba established the Greater Winnipeg Floodway Advisory Board to advise on the plans and co-ordination of the engineering and construction aspects of the floodway.

(b) Fairford River Control Works

The Fairford River joins Lakes Manitoba and Winnipeg and serves as the channel to drain the surplus waters of Lakes Winnipegosis and Manitoba into

Lake Winnipeg and so by the Nelson River to Hudson's Bay. Improvement of the river channel to facilitate a greater flow featured, as mentioned above, one of the recommendations of the Red River Basin Investigation in its overall plan to alleviate flooding similar to that experienced by Winnipeg in 1950.

The Fairford River also was the subject of recommendations by the Lakes Winnipeg and Manitoba Board established in 1956 jointly by Manitoba and Canada. Under its terms of reference, dated July 5, 1956, the Board was to carry out a survey of Lakes Winnipeg and Manitoba and the waters flowing into and from those lakes to determine what developments would appear practicable to facilitate flood control and hydro-electric power development.

The above Board reported in June 1958 that in order to reduce agricultural losses from flooding around the perimeter of Lake Manitoba, the level of that lake should be controlled by the construction of a new dam and channel improvements on the Fairford River. On October 22, 1960 (P.C. 1960-61/1461), Canada agreed to contribute to Manitoba 50 per cent of the cost of construction of a new control dam and enlargement of the river channel up to a maximum of \$300,000. The project was completed in 1961 and the federal government's contribution was \$300,000.

#### (c) Assiniboine River—Diversion and Dam

As mentioned previously, the Manning Commission recommended, among other projects, excavation of a channel to divert the Assiniboine River into Lake Manitoba near Portage la Prairie and a storage dam on the upper reaches of the same river at Russell. Subsequent consideration was given to the erection of the dam on the river near Holland, midway between Portage and Brandon, or at Shellmouth some miles further up river from Russell. Ultimately the decision was made to build the dam at Shellmouth, and on November 14, 1960, Cabinet approved in principle Canada contributing towards 50 per cent of the cost of these two projects. As these projects were considered analogous to joint federal-provincial P.F.R.A. projects, it was considered that the pattern of 50 per cent sharing employed in those projects should apply to the Portage Diversion and the Shellmouth Dam and not the sharing pattern applicable under the Canada Water Conservation Assistance Act. It was subsequently decided that a formal agreement with Manitoba covering these two projects should be delayed until an agreement with that Province had been entered into on the construction of the Winnipeg Floodway. Following the entrance into the latter agreement, the Minister of Agriculture was authorized by P.C. 1962-1/860 June 11, 1962, to enter into an agreement with Manitoba; Canada to be responsible for the engineering and construction of the Shellmouth Dam and Manitoba to be responsible for the engineering and construction of the Portage Diversion with the construction costs in each case to be shared equally. Canada's contribution is estimated at \$3,750,000 for the construction of the Shellmouth Dam and \$5,750,000 for the construction of the Portage Diversion. A formal agreement was entered into on December 20, 1962.

### 3. *Fraser River Board*

Following the 1948 flood on the Fraser, Canada and British Columbia established the Dominion-Provincial Board, Fraser River Basin (P.C. 1949-247/288).



This Board was reconstituted in 1955 (P.C. 1955-655) as the Fraser River Board. It currently consists of four members—two appointed by the Federal Government and two by British Columbia. The members are officials at the directorship level of the federal Departments of Northern Affairs and National Resources and Fisheries, and the British Columbia Department of Lands and Forests.

The terms of reference given to the Board in 1955 required surveys and reports on the development and control of water and incidental resources of the Fraser River Basin with particular reference to flood control and hydro-electric power. As required by the reference, the Board submitted an interim report on flood control in June 1956. The Board was to complete a preliminary report by June 30, 1958, at which time the Board was to go out of existence unless the two governments agreed to its continuance. The preliminary report was submitted on October 31, 1958, and in consequence of this report the Board has been reconstituted for a further period of four years to investigate the physical and economic practicability of implementing the joint power and flood control project ("System A") which the Board recommended for consideration in its preliminary report. Canada and British Columbia share 50-50 the expenses of the Board; British Columbia reimburses the federal government. Up until March 1961, the federal share of the expenses of the Board was \$1,213,274, and in 1961-62 the federal share was \$300,077.

#### 4. *Lac Seul and Lake of the Woods Storage Projects*

In 1921 by concurrent legislation, Canada (11-12 Geo. V, c. 10) and Ontario established the Lake of the Woods Control Board which at that time consisted of four qualified engineers, of which two were appointed by Canada and two by the Province of Ontario. In 1958, the composition of the Board was amended to give the Province of Manitoba one representative, Ontario two representatives, and Canada one representative. The change was to bring the composition of the Board in line with the fact that since 1930, Manitoba has had jurisdiction over its own natural resources. The Lake of the Woods Control Board is charged with the responsibility of regulating the storage in and the outflow from the Lake of the Woods to secure to inhabitants of Canada and the United States the most dependable and the most advantageous and beneficial use of these waters at all times. The Board is also responsible for the regulation of the Lac Seul reservoir, for the purpose of increasing power generation not only at developments on the English River in Ontario, but also at power plants on the Winnipeg River in Manitoba. In 1958, the Board was vested with the additional responsibility for regulation of diverted flows via the Root River into Lac Seul from Lake St. Joseph in the Albany River system, the Board assuming control when certain maximum monthly elevations are exceeded on Lac Seul.

In a subsequent agreement entered into by Canada, Ontario, and Manitoba on November 15, 1922, it was agreed to apportion the initial cost of securing the storage including land easements both in Canada and the United States and such other charges which might arise in regard to the regulation and control of Lake of the Woods storage. Canada was to bear one-third of these costs because of its interest in navigation, and the remaining two-thirds was



to be divided between Ontario and Canada (the latter because it had control of Manitoba's natural resources) in proportion to the potential head in Ontario and Manitoba on the Winnipeg River. On this basis, assuming one-third chargeable to Canada, these proportions equal 11.4871785 per cent for Ontario and 55.1794882 per cent for Manitoba for the apportionment of storage charges. Under terms of this tripartite agreement, the Province of Ontario was exempt from paying its share until such time as a power site was developed on the Ontario reach of the Winnipeg River. The Whitedog Falls site was completed in 1958, and the Province of Ontario has paid its share of capital costs under the terms of this agreement.

In 1928, Canada entered into an agreement with Ontario (18-19 Geo. V, c. 32, Schedule) for Ontario to build a regulating dam at the outlet of Lac Seul which would increase the power potential of the plants already erected on the Winnipeg River in Manitoba and increase the undeveloped potential on the English River in Ontario. Under the terms of this agreement, Ontario would build and maintain the dam, and the cost of construction and maintenance was to be divided in the ratio of three-fifths and two-fifths for Canada and Ontario, respectively. Until such time as the Province of Ontario developed the various power sites on the English River, Canada would pay the Province of Ontario interest at five per cent on the capital provided for the dam by the Province of Ontario and also would pay its proportionate share of the maintenance and operating charges. As the Province of Ontario developed the power sites on the English River, Canada's payment of interest, maintenance and operating charges was to be reduced in the ratio of the developed head to the undeveloped head, but not below three-fifths of these charges. As navigation is not a salient feature on the English River, Canada's share of interest, maintenance and operating charges is fully recoverable from the Province of Manitoba.

In 1930, the administration of the natural resources of Manitoba was transferred to the province under the terms of the Manitoba Natural Resources Act (20-21 Geo. V, c. 29). Under the terms of this Act, Manitoba agreed to repay its share of capital costs, maintenance and operation of the Lake of the Woods storage and Lac Seul storage and also to assume the province's proportionate share of annual operating and maintenance charges arising out of the regulation of both reservoirs. The charges accrued up until 1930 are being repaid to Canada on a fifty-year amortization basis at an interest rate of five per cent per annum. Capital costs since 1930, including easements and construction of the Dalles cut on the Winnipeg River, are also being repaid in the same manner.

As a result of the above agreements, Canada now recovers from the Provinces of Manitoba and Ontario most of its current expenditures arising from the regulation and control of both reservoirs. Canada's non-recoverable outlay would be sizeable only when new capital expenditures are undertaken in the basin, such as, for example, the excavation of the Dalles Rapids on the Winnipeg River in 1949-50, one-third of the capital costs of which was chargeable to navigation and therefore assumed by the federal government.

##### *5. Saint John River Board*

In 1959, the Saint John River Board was established by agreement between the Governments of Canada and New Brunswick. The Board consists of four

members, two appointed by each government, and the costs of the Board are shared equally. The Board was directed to study present and future developments in New Brunswick which would be affected by the development and operation of storage on the upper Saint John River and its tributaries, consider integration with the proposed Passamaquoddy Tidal Power Project, and also development without such integration. The Board was also asked to determine the benefits from interconnection and pooling operations of adjoining transmission systems, as well as the effect of the power developments on other water uses of the Saint John River.

The Board was directed to render its final report not later than June 30, 1960, but it was granted three months' further time to complete this assignment and its report was submitted on September 30, 1960. In accordance with its terms of reference, the Board was terminated three months after submission of its final report. The total cost was \$241,813, of which the federal share was \$120,906.

#### 6. *Prairie Provinces Water Board*

In 1948, Canada (P.C. 2413) and the three Prairie Provinces entered into an agreement to establish the Prairie Provinces Water Board. The Board consists of five members, two appointed by Canada and one by each of the provinces. The Board was set up, in the light of the scarcity of water resources in the prairies, to determine and recommend the best use to be made of interprovincial waters in the prairies and to recommend the allocation as between provinces of the waters in interprovincial streams. The Board is to collect and analyze the data now available, to determine what additional data is required, and to recommend to whatever government was appropriate that such data be secured. It is also on request to recommend the allocation of the waters of any interprovincial stream and when requested to comment on any specific project for the utilization of interprovincial waters. The recommendations of the Board are not binding unless adopted by Order-in-Council by Canada and each of the provinces concerned. The P.F.R.A. provides the Board's staff and each government bears the expenses of its own representatives on the Board.

On July 4, 1960, the Prairie Provinces Water Board recommended to the four sponsoring governments that, as further engineering data were required to determine the best disposition of the waters in the Nelson-Saskatchewan Rivers, an engineering staff be established under the direction of the Board to secure data. The Board estimated the study would take five years and cost approximately \$1 million.

While Canada has agreed to the study and has offered to contribute to its costs, an agreement with the three Prairie Provinces as to sponsorship of the study and sharing of its costs was not secured and the amount of \$204,000 voted in the 1961-62 Main Estimates lapsed.

#### 7. *Lakes Winnipeg and Manitoba Board*

In 1956, Canada and Manitoba agreed to establish the Lakes Winnipeg and Manitoba Board, composed of two members from each party, to carry out a survey of Lakes Winnipeg and Manitoba and the resources of waters within



Manitoba flowing into and from these lakes, and to report what controls were necessary on these waters for purposes of flood control and hydro-electric development. On June 30, 1958, the Board submitted its report (Report on Measures for the Control of the Waters of Lakes Winnipeg and Manitoba, Province of Manitoba) to the two governments. As one result of the findings of the Board, the Manitoba Government proposed to carry out works for the control and regulation of Lake Manitoba and in 1960 Canada and Manitoba entered into an agreement to build a control dam and make channel improvements on the Fairford River (see note on Fairford River Control Works).

The federal and provincial governments shared equally the costs of the survey and the expenses of the Board. The federal expenditure totalled \$102,574.

### 8. *Hydrometric and Sediment Surveys*

The Water Resources Branch of the Department of Northern Affairs and National Resources operates a continuing hydrometric survey programme which involves the collection of streamflow and water level data and their compilation and publication as permanent records. This work is undertaken not only on waters under federal jurisdiction, but also on provincial waters. More than 1,500 gauging stations now are maintained from coast to coast and the records obtained from them provide essential basic information for effective water use planning and the solution of water problems. Most of this programme is essential to federal requirements but a portion of it is conducted to meet specific provincial requests. Under the authority of the Dominion Water Power Act, 1919, co-operative arrangements are in effect with all of the provinces whereby the Branch provides for the principal provincial requirements in this field thus eliminating duplication of effort and permitting uniformity in methods of survey and compilation and publication of records. Monetary contributions from the provinces towards this activity provide revenue in excess of \$50,000 annually, while several of the provinces provide additional assistance in this co-operative endeavour such as air transportation in certain remote areas.

While hydrometric surveys have been conducted by the Branch on a systematic national basis for more than 50 years, no similar federal effort had been directed to sediment surveys which provide an essential data requirement for water-use appraisal of many rivers in Canada. Recently the Branch was authorized to initiate a sediment survey programme and work has commenced at several locations in Saskatchewan and Manitoba. Where such surveys are undertaken at specific provincial request, it has been arranged that the province in question will contribute to the cost.

## WELFARE

### 1. *Old Age Assistance*

The federal old age assistance programme had its genesis in the old age pension programme enacted in 1927. Federal legislation in that year (S.C. 1927, c. 35) empowered Canada to enter into agreements with the provinces to contribute 50 per cent of the cost to each province of an old age pension programme. The federal government would not share the costs of a pension



in excess of \$240 per annum (\$20 per month). The provinces were to administer the programme and were responsible for the cost of its administration.

To be eligible for the pension a person was required to be a British subject, 70 years of age or over, resident in Canada for 20 years and in the province for five years immediately preceding receipt of the pension, not in receipt of an income, including pension, in excess of \$365 a year and not an Indian. He could not have made any voluntary transfer or assignment of property to qualify for the pension. The nationality and provincial residence requirements were deleted in 1947 and the Canadian residence requirement was made less rigid. It might be noted here that Indians did not become eligible for benefits until the old age security and old age assistance programmes replaced the old age pension programme on January 1, 1952.

British Columbia entered the programme in 1927, Saskatchewan and Manitoba in 1928, and Alberta, Ontario and the Northwest Territories in 1929. After the federal government agreed to pay 75 per cent of the cost of the pension in 1931 (21-22 Geo. V. c. 42), Prince Edward Island joined the programme in 1933, Nova Scotia in 1934, New Brunswick and Quebec in 1936, and Yukon and Newfoundland in 1949 when the latter entered Confederation.

The maximum shareable pension was raised to \$25 a month in 1943,<sup>1</sup> to \$30 in 1947, and to \$40 in 1949. The maximum allowable annual income was increased from \$365 to \$425 in 1944<sup>1</sup> and in 1947 to \$600 for an unmarried person, to \$1,080 for a married person and to \$1,200 for a married person with a blind spouse.

In its proposals to the Dominion-Provincial Conference of 1945, the federal government suggested a major revision of its old age provisions. The federal government would assume responsibility for payment and administration of a \$30 a month pension to all persons aged 70 or over, subject to a residence but not a means requirement. At the same time it would participate with the provinces in the provision of old age assistance of up to \$30 monthly, subject to a residence requirement, to needy persons aged 65 to 69. The federal government would reimburse the province for 50 per cent of assistance of \$30 a month or of that paid, whichever was less. The province would administer the programme and be responsible for provincial administrative costs.

Following the failure of the Conference, the Old Age Pension proposal along with the other "Green Book" proposals was dropped. In 1950, the Joint Committee on Old Age Security of the Senate and House of Commons recommended a universal federal pension payable, subject to a suitable residence requirement to all persons in Canada aged 70 or over, and an assistance programme administered by the province, under which old age assistance would be paid, subject to income and residence tests, to persons aged 65 and over not eligible for the universal pension with the cost shared on a 50-50 basis.

The Government of Canada accepted the recommendation and, for purposes of old age security legislation, obtained an amendment to the British North

<sup>1</sup>The increase in the maximum shareable pension in 1943 and the maximum allowable income in 1944 were made under the authority of the War Measures Act. The Old Age Pension Act was not amended until 1947 when the maximum shareable pension as specified in that Act was raised from \$20 to \$30 a month although the increase as far as the recipient was concerned was from \$25 to \$30.

America Act in 1951, to give it concurrent legislative powers in the old age pension field. Federal legislation was passed in the same year.

Under the Old Age Security Act (S.C. 1951, (2nd Session) c. 18), effective January 1, 1952, the federal government assumed sole responsibility for the administration and financing of an Old Age Security pension of \$40 a month payable to all persons aged 70 or over in Canada who had resided in the country for at least 20 years.

Under the Old Age Assistance Act (S.C. 1951, c. 55), the federal government was empowered to enter into an agreement with each province under which Canada would share with the province the cost of a programme of assistance to persons who had attained 65 years. Canada would reimburse the province for 50 per cent of a \$40 monthly assistance payment or 50 per cent of any lesser monthly payment. To qualify, the applicant must have been 20 years resident in Canada, his income, including the assistance, must not be in excess of \$720 a year if unmarried, \$1,200 if married, and \$1,320 a year if married to a blind person. Persons in receipt of old age assistance are transferred to old age security on reaching age 70.

A number of amendments were made to the programme in 1957 and 1962. The federal government was empowered to amend agreements with the provinces to raise assistance to which it would contribute to 50 per cent of \$46 a month as of July 1, 1957, to \$55 a month as of November 1, 1957, and to \$65 a month as of February 1, 1962. The November 1957 amendment also reduced the residence requirement from 20 to 10 years. The period during which a person in receipt of assistance could remain absent from Canada and could receive the assistance retroactively on return was raised to 153 days in 1960 (P.C. 1960-899) from 92 days set in 1951 (P.C. 6595). Limits on allowable income, which includes the assistance, have been raised according to the following schedule:

#### CHANGES IN ANNUAL INCOME LIMITS

	Prior to April 1957 Legislation	April 1957 Legislation effective July 1, 1957	November 1957 Legislation effective November 1, 1957	February 1962 Legislation effective February 1, 1962
Unmarried person .....	\$ 720	\$ 840	\$ 960	\$1,140
Married Recipient				
with spouse .....	1,200	1,380	1,620	1,980
Married, with blind				
spouse .....	1,320	1,740	1,980	2,340

Agreements with all provinces have been amended to permit payment of old age assistance under the 1962 legislation, but the effective date was not in all cases February 1, 1962.

The federal contributions to old age pensions from 1927 to 1951 amounted to \$810.9 million, and to old age assistance from 1952 to March 31, 1962, to \$250.8 million. The annual cost of old age assistance following the 1962 increase in the allowance is expected to run close to \$38 million annually.

At the end of 1961-62, there were 98,944 persons in receipt of old age assistance. These persons constituted slightly more than 20% of the estimated number in the age group 65 to 69 as of June 1, 1961.



The federal old age assistance payments to the provinces up to March 31, 1962, and the payments for the fiscal year 1961-62 are as follows:

	to March 31, 1962	1961-62
	(in thousands of dollars)	
Newfoundland .....	12,654	1,673
Prince Edward Island .....	1,460	249
Nova Scotia .....	12,880	1,569
New Brunswick .....	15,080	1,760
Quebec .....	88,563	10,896
Ontario .....	56,940	6,903
Manitoba .....	13,256	1,652
Saskatchewan .....	14,029	1,762
Alberta .....	15,226	2,001
British Columbia .....	20,399	2,284
Northwest Territories .....	280	46
Yukon .....	82	16
Total .....	250,849	30,811

### *Supplements*

In most provinces recipients of old age assistance, blind persons allowances and disabled persons allowances may receive additional aid if they can establish that their assistance payments are insufficient to meet their basic needs. Such additional aid is given both to persons being cared for in welfare institutions and to persons living in their own homes.

Supplementary aid may be granted under the ordinary provisions of general assistance legislation or through special provisions within it. The special programmes of supplemental allowances on a means-test basis which formerly existed in the western provinces and the Yukon have been terminated in so far as new grants of assistance are concerned, and have been replaced by programmes operating on a needs-test basis. This latter development brings the supplements within the terms of the Unemployment Assistance Act which provides for federal sharing in additional relief payments.

In the Atlantic Provinces, supplemental aid is provided under the terms of the various general assistance acts which apply to any person in need. In Alberta and Manitoba, programmes of social allowances provide for provincial payments to persons requiring long-term assistance because of age or disability. These programmes cover persons in receipt of old age assistance, blind persons allowances and disabled persons allowances. Prior to June 1, 1961, Alberta granted supplemental allowances on a means-test basis; persons in receipt of such allowances prior to that date continue to receive supplemental aid on a means-test basis if they are unable to qualify under the new social allowances programme.

The four provinces with special provisions for supplemental aid within their general assistance legislation are Quebec, Ontario, Saskatchewan and British Columbia.

The Quebec Public Charities Act provides for additional aid of up to ten dollars a month on the basis of need to single persons living outside the larger centres. In the case of such persons in the metropolitan areas of Montreal and Quebec, aid may be up to twenty-five dollars. Maximum supplementation for



married couples varies from twenty dollars to sixty dollars per month, depending on the area in which they live and whether or not both are in receipt of a basic pension.

Additional aid in Ontario is granted under the General Welfare Assistance Act. The province will share in supplemental aid of up to twenty dollars a month given to recipients under these programmes to assist them in meeting shelter or other extraordinary costs.

Effective April 1961, Saskatchewan established a supplemental allowance programme on a budget deficit basis through the adoption of new regulations under the Social Aid Act. The allowances apply to recipients of old age security and blind persons allowances as in the case of the means-test programme in operation prior to April 1, 1961. The new programme excludes recipients of old age assistance and disabled persons allowances, but recipients under these programmes may, however, receive social aid from their municipality under the ordinary provisions of the Social Aid Act. Persons in receipt of supplemental allowances as well as of blind allowances on March 31, 1961, who were not found to be eligible for additional aid on a needs-test basis, continue to receive a supplemental allowance of \$2.50 a month providing their incomes remain within specified limits.

British Columbia adopted a supplemental social allowance programme on January 1, 1962, under which recipients of the three categorical programmes can, on the basis of need established on a budget deficit basis, receive up to \$24.00. Persons granted allowances on a means-test basis prior to the above date continue to receive assistance on that basis.

## 2. *Blind Persons Allowances*

In 1937, the Old Age Pensions Act was amended by 1 Geo. VI, c. 13 to provide pensions to blind persons age 40 years or over not in receipt of an income, including pension, of \$440 a year if unmarried, of \$640 if married or a widow or widower with a child or children.

To qualify for a pension a person was required to be blind as defined in the Act and to meet other conditions of the Old Age Pensions Act and Regulations, that is, must be a British subject, have resided in Canada 20 years and in the province five, before making application for a pension. In addition, he could not have made any voluntary assignment or transfer of property to qualify for pension. The federal government paid 75 per cent of \$20 a month or of the pension paid, whichever was less. Maximum pension for each member of a blind married couple was \$10 a month.

In 1947, the Act was amended (11 Geo. VI, c. 67) to increase the maximum pension to \$30 a month and the allowable income to \$720 a year for an unmarried person, to \$920 for an unmarried person with a dependent child, to \$1,200 for a married person with sighted spouse and to \$1,320 for a married person with a blind spouse. Age of eligibility was reduced from 40 to 21 years. The nationality requirement and that for provincial residence were deleted. The maximum pension had previously been increased to \$20 a month in 1943 under the War Measures Act as was the allowable income in 1944. In 1949, the maximum pension to which the federal government would contribute 75 per cent was raised to \$40 per month.

The Blind Persons Act 1951 c. 38 provided for federal reimbursement to the provinces for allowance to blind persons aged 21 or over who had less income than the amounts specified in the Act and who had resided in Canada for at least 10 years. The federal contribution could not exceed 75 per cent of \$40 a month or of the allowance paid, whichever was less. The province administered the programme and, within the limits specified in the federal Act, fixed the allowance payable and the maximum income allowed. The provinces were first given this authority under the Old Age Pensions Act in 1947, and possess it under the Old Age Assistance Act and Disabled Persons Act as well. Recipients reaching age 70 may be transferred to old age security or to old age assistance at age 65. It is unlikely that they would be transferred to old age assistance as the federal share of blindness allowance is 75 per cent as against 50 per cent of old age assistance and the maximum income allowed a blind recipient is higher.

For an unmarried person total income, including the allowance, could not exceed \$840 a year; for an unmarried person with a dependent child or children, \$1,040; for a married person with a sighted spouse, \$1,320; and for a person married to a blind spouse, \$1,440.

In 1955 (3-4 Eliz. II, c. 26), age eligibility was reduced to 18 years and maximum income allowed was increased to \$960 for an unmarried person; \$1,160 for an unmarried person with a child or children; \$1,560 for a married person and \$1,680 if married to a blind spouse.

The maximum amount to which the federal government would contribute 75 per cent was raised to \$46 monthly from July 1, 1957, to \$55 monthly from November 1, 1957, and to \$65 monthly from February 1, 1962. The period during which a recipient could be absent from Canada and could claim pension retroactively was raised to 153 days. Income, including the blind persons allowance, was limited as indicated in the following schedule:

	Prior to July 1/57	July 1/57 Effective (5-6 Eliz. II c. 14 (1957))	Nov. 1/57 Effective (6 Eliz. II c. 4 (1957-58))	Feb. 1/62 Effective (10-11 Eliz. II c. 2 (1962))
(a) Unmarried person .....	\$ 960	\$1,080	\$1,200	\$1,380
(b) Unmarried person with dependent child .....	1,160	1,560	1,680	1,860
(c) Married person with spouse	1,560	1,740	1,980	2,340
(d) Married person with blind spouse .....	1,680	1,860	2,100	2,460

The federal contribution to blind persons under the Old Age Pensions Act from 1937-1951 was \$25.9 million, and under the Blind Persons Act until March 31, 1962, was \$35.7 million. Recipients at the end of the 1961-62 fiscal year totalled 8,573.

The federal blind persons allowance contributions to the provinces from 1951 to March 31, 1962, and the contributions for the fiscal year 1961-62 are as follows:

	to March 31, 1962 (in thousands of dollars)	1961-62 dollars)
Newfoundland .....	\$ 1,617	\$ 209
Prince Edward Island .....	358	40
Nova Scotia .....	3,164	386
New Brunswick .....	3,088	349
Quebec .....	12,675	1,412
Ontario .....	7,328	837
Manitoba .....	1,716	188
Saskatchewan .....	1,654	193
Alberta .....	1,820	223
British Columbia .....	2,148	270
Northwest Territories .....	103	21
Yukon .....	16	2
Total .....	\$35,687	\$4,130

### *Supplements*

In Ontario, Manitoba, Saskatchewan, Alberta, British Columbia, and the Yukon Territory, supplements are available to recipients of blindness allowance. Conditions of payment are the same as for old age assistance, except for Saskatchewan which does not pay a supplement to recipients of old age assistance, and for British Columbia. In Saskatchewan, a person qualified for blindness allowance receives a basic supplement of \$2.50 a month. An additional supplement is payable to bring total income up to \$780 for a single person, \$900 for a married person, \$1,410 when spouse receives old age assistance or disability allowance or \$1,440 when spouse receives old age security or blindness allowance. In British Columbia, a flat rate supplement of \$20 a month is payable to recipients of blindness allowance whose income, excluding the allowance, does not exceed certain income limits.

### *3. Allowances for Disabled Persons*

The federal government announced its intention in the Speech from the Throne in November 1953, to establish a federal-provincial assistance programme for disabled persons. Three provinces had programmes in operation: Newfoundland from 1949, Ontario from 1952, and Alberta from 1953. A federal-provincial conference was held in January 1954, and the Disabled Persons Act (2-3 Eliz. II, c. 55 (1953-54)) subsequently passed. The new Act was closely modelled on the Old Age Assistance and Blind Persons Acts.

It provided for federal reimbursement to the provinces of 50 per cent of allowances of up to \$40 a month to be paid to totally and permanently disabled persons age 18 years and over who were in receipt of an income below that specified in the Act and who had resided in Canada for at least 10 years. To qualify for an allowance a person was required to meet the definition of total and permanent disability set out in the Regulations to the Act. Income allowed was the same as for old age assistance as described earlier.

No allowance was paid to residents of tuberculosis sanatoria, mental institutions, homes for the aged, infirmaries, or institutions for the care of incurables.



A recipient, when temporarily a patient in a public or private hospital, could be paid the allowance for a maximum of 62 days in any calendar year. A recipient who was a resident in a nursing home, or a private, charitable or public institution might be paid the allowance if he paid, or had paid on his behalf by his family, the greater part of the cost of his accommodation. As from January 1, 1955, disability allowance was payable wherever a recipient was a patient in a hospital for the purpose of rehabilitation or therapeutic treatment that was approved by the provincial authority. Provision was set up for a joint federal-provincial assessment of disability.

Recipients are transferred to old age security at age 70; in some provinces they are encouraged to transfer to old age assistance at age 65 and thereby obviate the need for a continuance of medical tests.

In the 1957 amendments, federal reimbursement was increased to 50 per cent of \$46 from July 1, and of \$55 from November 1. Allowances became payable to a patient in homes for the aged, infirmaries and institutions for the care of incurables if the greater part of the accommodation was paid by himself, relatives, or other private individual or individuals. The requirement for those in nursing homes, charitable or private institutions was broadened similarly. The allowance may continue to be paid also for the period that a recipient is in hospital for therapeutic treatment of disability or for rehabilitation purposes.

Under the definition of total and permanent disability, which was broadened in 1957, a recipient must be suffering from a major physiological, anatomical or psychological impairment verified by objective medical findings which is likely to continue indefinitely without substantial improvement and which results in his being severely limited in activities pertaining to daily living.

In 1962, a further amendment increased the maximum monthly assistance to which Canada would contribute 50 per cent from \$55 to \$65 effective February 1, 1962.

Total income permitted, including the allowance, has been kept in accordance with that allowed under old age assistance.

Federal contributions to the programme totalled \$88.5 million from 1955 to March 31, 1962. The recipients at March 31, 1962, numbered 50,029. The annual expenditure following the increase in permissible disability allowance will be in excess of \$19 million.

	to March 31, 1962 (in thousands of dollars)	1961-62
Newfoundland .....	\$ 1,942	\$ 414
Prince Edward Island .....	1,092	259
Nova Scotia .....	4,193	909
New Brunswick .....	3,364	668
Quebec .....	44,331	7,461
Ontario .....	22,489	4,503
Manitoba .....	2,394	478
Saskatchewan .....	2,496	489
Alberta .....	3,132	559
British Columbia .....	3,085	685
Northwest Territories .....	22	7
Yukon .....	4	2
Total .....	\$88,544	\$16,434

## *Supplements*

British Columbia pays a flat rate supplement of \$20 a month to recipients who qualify under a residence test. In Ontario, the government shares to the extent of 80 per cent in the first \$20 a month paid by a municipality to a needy recipient, as is the case also for recipients of old age assistance and blindness allowances. In Manitoba, again the provision is the same: the province is empowered to reimburse a municipality for 80 per cent of the supplementary assistance it pays to needy recipients of disability allowances. In some provinces and in the Yukon Territory, recipients in special need may also be eligible for relief.

### *4. Unemployment Assistance*

At the Dominion-Provincial Conference of 1945, the federal government, following the recommendations of the National Employment Commission and the Rowell-Sirois Commission, proposed acceptance of federal assistance to the "unemployed employables" and provincial and local responsibility for "unemployables" and self-employed persons.

The general proposal was accompanied by a specific plan for a system of unemployment assistance, to supplement unemployment insurance, the scheme to be financed out of the Consolidated Revenue Fund. When the Conference failed, the proposal was dropped. Subsequently support grew for the concept of a federal grant-in-aid programme under which administrative responsibility for the employable unemployed would rest with the province and local authority as an integral part of the general assistance programme.

Following the 1955 Federal-Provincial Conferences, the federal Unemployment Assistance Act was passed in 1956 (c. 26). Under the Act the federal government was to share 50 per cent of approved provincial expenditures. Reimbursement was made to the province for payments within the existing provincial framework of general assistance. The scale and conditions of relief payments to recipients are determined by the provinces and municipalities. The federal government set no ceiling on the rate that might be paid.

Under the original Act the federal contribution only commenced when the number of persons in receipt of assistance in a province exceeded 0.45 per cent of the population of the province. As it was estimated that the number of unemployables constituted 0.45 per cent of the population, the threshold provision meant that the provinces were in effect to retain responsibility for assistance to unemployables. Several provinces expressed objections to the failure of the Act to cover payments of assistance to the unemployables, the hard core of provincial and municipal welfare cases. These provinces delayed entering into an agreement with the federal government. When in 1957 by an amendment (1957-58, c. 20) to the Act the threshold provision was abolished and Canada undertook to share assistance costs to the unemployed, whether employable or unemployable, the remaining provinces also entered into agreements.

Under the Act a province is obliged not to make length of residence a condition for the receipt of assistance when an applicant comes from another province which has signed a similar agreement.

The Act excludes federal reimbursement for payments to persons receiving mother's allowances. While it also generally excludes inmates of public and

charitable institutions, it provides for federal sharing of provincial and municipal payments for those in certain types of homes for special care, notably homes for the aged and nursing homes. Health care and administrative costs are also excluded from federal government reimbursement. Those receiving various types of social security payments under other programmes are also excluded, but the federal government shares with the provinces any additional relief payments, other than cost-of-living bonus or across-the-board pension supplements, made to such persons who are unemployed and in need; as noted in the description of the preceding assistance programmes, supplemental payments are now largely on a basis which is shareable under the Unemployment Assistance Agreements. Health care and administrative costs are also excluded from federal government reimbursement.

Agreements have been entered into with all provinces and the territories. The date on which the agreement was entered into and the date on which the cost-sharing arrangements were to be effective is set forth in the following table.

	Date of Initial Agreement	Effective Date
Newfoundland .....	December 21, 1955	July 1, 1955
Prince Edward Island .....	February 3, 1956	July 1, 1955
Nova Scotia .....	February 14, 1958	January 1, 1958
New Brunswick .....	February 3, 1956	January 1, 1956
Quebec .....	July 1, 1959	July 1, 1958
Ontario .....	December 30, 1957	December 1, 1956
Manitoba .....	May 30, 1956	July 1, 1955
Saskatchewan .....	March 28, 1956	July 1, 1955
Alberta .....	April 22, 1958	January 1, 1958
British Columbia .....	December 21, 1955	July 1, 1955
Northwest Territories .....	December 30, 1958	January 1, 1958
Yukon .....	November 1, 1959	January 1, 1959

The following table indicates the total federal contributions to each province from the commencement of the programme to March 31, 1962, as well as the federal contributions for the individual fiscal years 1959-60, 1960-61, and 1961-62.

	to March 31, 1962	1959-60	1960-61	1961-62
	(in thousands of dollars)			
Newfoundland .....	\$ 18,147	\$ 3,670	\$ 2,833	\$ 4,417
Prince Edward Island .....	631	113	111	157
Nova Scotia .....	4,331	654	1,609	1,744
New Brunswick .....	3,371	351	1,396	1,371
Quebec .....	60,177	7,791	14,165	38,222
Ontario .....	55,396	14,029	12,916	16,990
Manitoba .....	13,051	2,380	3,277	4,234
Saskatchewan .....	10,987	1,828	2,270	4,176
Alberta .....	10,703	2,072	2,556	4,217
British Columbia .....	46,818	7,245	10,313	16,425
Northwest Territories .....	92	33	20	38
Yukon .....	92	—	54	38
Total .....	\$223,796	\$40,166	\$51,520	\$92,029



**DATA PAPERS ON FEDERAL PROGRAMMES  
OF ASSISTANCE TO PROVINCES OR MUNICIPALITIES  
WHICH DO NOT FALL WITHIN THE  
CATEGORY OF CONDITIONAL GRANT OR SHARED-  
COST PROGRAMMES**

**ATLANTIC PROVINCES POWER DEVELOPMENT**

This programme, authorized by 6 Eliz. II, c. 25 (1957-58) does not fall within a strict interpretation of conditional grant or shared-cost programmes as the provinces are not obligated to match the federal expenditures; and federal expenditures, at least on capital aspects of the programme, are recoverable and are in the nature of loans. The programme is designed to provide the Atlantic Provinces with an integrated and adequate supply of electricity selling at rates comparable with central Canada and thereby stimulate the economy of those provinces. The programme is implemented through federal loans for the construction of generation and transmission facilities and federal subventions to thermal power plants consuming coal produced in the Atlantic Provinces.

*1. Capital Advances*

The federal government, working through its agent, the Northern Canada Power Commission, may enter into agreements with one or more of the Atlantic Provinces to finance the construction of power generation and transmission facilities; the construction may be undertaken by Canada or by the provinces or their agents, and on completion the operation of the facilities are the responsibility of the provinces. Regardless whether Canada or its agent, or a province or its agent constructs the facilities, the capital required is provided by Canada subject to repayment by the province or its agent over a term of years and at an interest rate specified in agreements to be entered into between Canada and the provinces.

Under P.C. 1958-223, February 7, 1958, Canada entered into master agreements with Nova Scotia (February 20, 1958) and New Brunswick (February 14, 1958) in which Nova Scotia and New Brunswick specified their respective Power Commissions as agents, and in which Canada through the Northern Canada Power Commission was to advance the monies necessary to finance construction of generation and transmission facilities at an interest rate equivalent to the rate at which Canada is advancing funds to its Crown Corporations and the monies so advanced to be repayable in 30 annual instalments in the case of generation facilities (40 annual instalments in the case of transmission facilities) dated from the completion of construction or from the transfer of the facilities to the provincial agents. Newfoundland did not enter into a master agreement until January 3, 1962. As in the other master agreements, the province specified its Power Commission as its agent and Canada specified the Northern Canada Power Commission. The master agreement with Newfoundland only provided for the construction of transmission lines and the associated substations and switching stations; no provision was included for the construction of generating facilities.

Under the authority of the master agreements, specific agreements are entered into with each province with respect to individual projects. The specific agreements entered into are as follows by province and by year.

1. *New Brunswick*

- (a) 1958—Under authority of P.C. 1958-547, April 17, 1958, an agreement was entered into on December 31, 1958, between Northern Canada Power Commission and the New Brunswick Electric Power Commission with respect to transmission facilities and substations for intra-provincial and inter-provincial transmission of power.
- (b) 1961—Under authority of P.C. 1961-91, January 24, 1961, the Northern Canada Power Commission was authorized to undertake projects additional to those specified in the agreement and the estimated cost of some of the projects specified was revised. The additional projects were transmission lines and terminal stations.

2. *Nova Scotia*

- (a) 1959—Under authority of P.C. 1958-548, April 17, 1958, an agreement was entered into on August 31, 1959, between Northern Canada Power Commission and the Nova Scotia Power Commission with respect to a 20,000 kilowatt addition to the Trenton thermal generating plant and associated transmission and terminal facilities.
- (b) 1959—Under authority of P.C. 1959-1229, September 24, 1959, and and P.C. 1961-90, January 24, 1961, the Northern Canada Power Commission was authorized to undertake projects additional to those specified in the agreement and the estimated cost of some of the projects specified was revised. The additional projects were all transmission lines.

3. *Newfoundland*

- (a) 1961—Under authority of P.C. 1961-1003, July 11, 1961, an agreement was entered into on January 3, 1962, between Northern Canada Power Commission and the Newfoundland Power Commission with respect to the construction of a transmission line of approximately 90 miles from Whitbourne to Peter's River and an associated substation.

The capital advances by province and by fiscal year are set out in the following table as well as the accrued interest on the advances which is capitalized on the completion of the projects for which the advances were made.

	Nova Scotia			New Brunswick		
	Advances \$	Accrued Interest \$	Total \$	Advances \$	Accrued Interest \$	Total \$
1958-59 .....	—	—	—	1,080,182	—	1,080,182
1959-60 .....	5,452,617	102,147	5,554,764	2,465,784	100,138	2,565,922
1960-61 .....	1,634,920	302,630	1,937,550	2,912,055	195,589	3,107,644
1961-62 .....	308,786	223,621	532,407	2,927,968	262,562	3,190,530
Total .....	7,396,323	628,398	8,024,721	9,385,989	558,289	9,944,278

The total capital advances as of March 31, 1962, amounted to \$16,782,312 which with the accrued interest of \$1,186,687, constituted a total indebtedness of \$17,968,999. As New Brunswick made a repayment of principal in 1961-62 of \$19,317, the net indebtedness of New Brunswick was \$9,924,961 and the net indebtedness of both provinces as of March 31, 1962, came to \$17,949,682.

## 2. Subventions

The master agreements with Nova Scotia and New Brunswick referred to above specify that Canada would contribute a subvention for a period of five years commencing on December 1, 1957, equivalent to 7.43 cents per million B.T.U. on Atlantic Provinces' coal consumed in thermal power plants in the above provinces.\* Subsequently the Dominion Coal Board entered into specific agreements with the Nova Scotia Power Commission (July 22, 1958) and the New Brunswick Power Commission (July 28, 1958). The provincial commissions are monthly to send the Dominion Coal Board a statement of the amount of coal consumed by each generating station and the number of B.T.U.'s contained in such coal and the Board will calculate the amount of the subvention and remit it to the provincial commission for transmission to the operator of each generating station. Under the master agreement the provincial governments were to ensure that the subventions were taken into consideration in setting the rate charges for electrical power supplied to industry from the generation stations receiving the federal subventions. The following table distributes the federal subventions by province.

	1958-59	1959-60	1960-61	1961-62
Nova Scotia .....	\$1,130,776	\$1,025,967	\$1,102,793	\$1,004,301
New Brunswick .....	562,157	628,637	593,623	544,039
Total .....	\$1,692,933	\$1,654,604	\$1,696,416	\$1,548,340

## LOANS FOR MUNICIPAL SEWAGE TREATMENT PROJECTS

In 1960, the National Housing Act was amended by 1960-61, c. 1, s. 7, to empower Central Mortgage and Housing Corporation, on the approval of the Governor in Council, to make loans to municipalities or municipal sewerage corporations for the purpose of assisting in the construction or expansion of trunk sewage collector systems, central treatment plants or both for the collection and treatment of sewage from one or more municipalities. The loans may not exceed two-thirds of the cost of the projects and shall be secured by debentures issued by the municipalities or the municipal sewerage corporation concerned or such other security as the Corporation deems necessary. The term of the loans shall not exceed the useful life of the projects or fifty years, whichever is the lesser, and shall bear interest at a rate not more than one-half of one per cent above the interest rate on long-term Government bonds. The manner of repayment of interest and principal is to be agreed upon by the Corporation and the municipality but repayments are to be not less frequent than annually. The

\* The master agreement with Newfoundland makes no provision for payment of subventions on account of Atlantic Provinces' coal consumed in Newfoundland thermal power plants.



amendment placed a ceiling of \$100 million, which was raised to \$200 million by 1960-61, c. 61, on the amount of monies that may be advanced from the Consolidated Revenue Fund for loans under this programme.

To stimulate the municipalities to an immediate assault on the elimination or prevention of further water and soil pollution, the amendment authorized the Corporation to forgive the repayment of a portion of the loan if the sewerage project was completed within a certain period. If a project for which a loan was made was completed by March 31, 1963, the Corporation was authorized to forgive 25% of the principal and 25% of the interest that had accrued as of the date of completion of the project. Where a project commenced by a loan from the Corporation was not completed as of March 31, 1963, the Corporation was empowered to forgive 25% of that portion of the loan that had been advanced to the Corporation as of March 31, 1963, and 25% of the interest that had accrued as of March 31, 1963, on the portion of the loan that had been advanced. On December 20, 1962, Parliament by 11 Eliz. c. 17 extended the cut-off date of forgiveness from March 31, 1963, to March 31, 1965. The Corporation is to have advanced to it from the Consolidated Revenue Fund the funds necessary to make the loans and the Corporation is to be reimbursed by Parliament for the amount of the loans forgiven as well as for any losses sustained by the Corporation in loans it has made to municipalities for sewerage projects. During the calendar years 1961 and 1962, Parliament reimbursed the Corporation in the amount of \$35,536 and \$1,873,630 for sewage loans forgiven during those years.

No loans were made in calendar year 1960. In calendar years 1961 and 1962, loans were made to 297 municipalities for 367 projects in the amount of \$84.9 million. Municipalities from all provinces have participated and the amount of the loans and the size of the municipalities have varied widely. The amount of the 1961 loans varied from the high of \$10.1 million approved for Ottawa, to a low of \$4,000 for Gibbons, Alberta. Of the 116 municipalities receiving loans in 1961, 78 were of less than 5,000 population and, of those, 63 had less than 2,000 population and 50 less than 1,000.

	Loans	Number of Municipalities	Amount
Newfoundland .....	2	2	\$ 116,000
Prince Edward Island .....	4	4	75,000
Nova Scotia .....	1	1	53,000
New Brunswick .....	3	3	85,000
Quebec .....	3	3	244,000
Ontario .....	52	28*	25,752,000
Manitoba .....	7	7	274,000
Saskatchewan .....	43	43	1,822,000
Alberta .....	12	12	1,665,000
British Columbia .....	17	13	9,841,000
Total .....	144	116	\$39,927,000

\* Metro Toronto received 15 loans amounting in all to \$5,019,000.

## LOANS FOR UNIVERSITY STUDENT RESIDENCES

On December 2, 1960, the National Housing Act was amended by 1960-61, c. 1, s. 7, to empower the Central Mortgage and Housing Corporation, on the approval of the Governor in Council, to make loans to universities for the purpose of assisting them in the construction of university residences or the acquisition of existing buildings and their conversion into university residences. Facilities, other than dormitory accommodation, may be covered by the loan when such facilities are, in the opinion of the Corporation, necessary for the operation of the residence. The Corporation has considered dining space, lounges, study rooms, and accommodation for supervisory staff as facilities within the intent of the legislation. The loan shall not exceed ninety per cent of the cost of the project; the term of the loan shall not exceed the useful life of the project or fifty years, whichever is the lesser; the loan shall be secured by a first mortgage or such other security as the Corporation deems necessary and shall be repaid in equal instalments of principal and interest not less frequently than semi-annually, and the loan shall bear interest at a rate prescribed by the Governor in Council which, as specified in the Act, shall not exceed by more than one-half of one per cent the interest rate on long-term Government bonds. A ceiling of \$50 million was initially set on the amount that the Corporation might advance for student residences but this ceiling was subsequently raised to \$100 million (1960-61, c. 61).

By regulation under the National Housing Act, the Governor in Council has specified that no loan to a university for provision of residence facilities shall exceed \$7,000 for each student to be provided with living accommodation in the residence (P.C. 1960-1793 dated December 31, 1960). The interest rate during the 1961 and 1962 calendar years (no loans were made in 1960) has varied. Commencing at  $5\frac{1}{8}\%$  on January 1, 1961, it was raised to  $5\frac{3}{8}\%$  on April 13, 1961; reduced to  $5\frac{1}{8}\%$  on October 19, 1961, at which level it remained during the 1962 calendar year.

Note: Institutions eligible for loans are (a) all universities and degree conferring colleges; (b) colleges affiliated to universities with degrees being conferred by the parent university; (c) junior colleges affiliated to a university and that teach at least two years of the curriculum leading to a degree of the university to which it is affiliated.

During the calendar years 1961 and 1962 the following universities and colleges had loans approved for student residences to the following amount.

	Loan Amount	Total Cost of Project	Accommodation	
			No. of Students	Loan per Student
	(\$000)	(\$000)		\$
1. <i>Nova Scotia</i>				
1961 a. Acadia .....	503	559	145	3,469
b. Mount St. Bernard College .....	561	623	126	4,452
c. St. Francis Xavier .....	1,316	1,462	314	4,191
d. King's College .....	690	766	106	6,509
1962 e. Dalhousie .....	847	1,200	121	7,000
f. College Sainte Anne .....	250	345	120	2,083

	Loan Amount	Total Cost of Project	Accommodation No. of Students	Loan per Student
	(\$000)	(\$000)		\$
2. <i>New Brunswick</i>				
1961 a. New Brunswick .....	1,800	2,000	428	4,206
3. <i>Quebec</i>				
1961 a. Academie de Quebec .....	810	900	200	4,050
b. College de Matane .....	631	701	120	5,258
c. College de Victoriaville .....	811	901	168	4,827
d. Laval .....	3,255	3,625	465	7,000
e. Seminaire de Nicolet .....	483	537	125	3,864
f. Seminaire St. Pie X .....	222	246	90	2,467
g. Sherbrooke .....	1,750	1,985	461	3,796
1962 h. McGill .....	800	1,240	216	3,704
i. Loyola College .....	1,890	2,098	300	6,300
j. College du Rouyn .....	550	611	208	2,644
k. College Bourget .....	148	165	33	4,485
l. Ecole N.M. de Lajemmerais .....	688	3,814	150	4,587
m. Scolasticat Saint-Charles .....	195	614	50	3,900
4. <i>Ontario</i>				
1961 a. Assumption .....	1,379	1,532	220	6,268
b. Carleton .....	1,512	1,845	315	4,800
c. Renison College .....	248	276	80	3,100
d. St. Jerome's College .....	300	351	98	3,061
e. Waterloo Lutheran } .....	276	476	100	2,760
1962 f. University College } .....	688	764	102	6,745
g. } .....	829	922	211	3,930
h. St. Paul's United College .....	625	778	150	4,167
i. Assumption .....	1,400	1,596	259	5,405
j. Huron College .....	411	457	82	5,012
5. <i>Manitoba</i>				
1961 a. Brandon College .....	906	1,007	152	5,961
b. United College .....	693	770	136	5,096
1962 c. Brandon College .....	588	654	147	4,000
d. Manitoba .....	3,072	3,413	497	6,181
e. St. Andrew's College .....	500	912	100	5,000
6. <i>Saskatchewan</i>				
1961 a. Emmanuel College .....	394	438	82	4,805
b. Notre Dame College .....	214	238	36	5,944
1962 c. Saskatchewan .....	2,357	3,461	349	6,574
7. <i>Alberta</i>				
1962 a. Alberta .....	4,976	6,229	1,218	4,085
8. <i>British Columbia</i>				
1961 a. British Columbia .....	1,332	1,480	336	3,964
1962 b. Anglican Theological College .....	371	614	53	7,000
Total .....	41,271	52,605	8,669	4,761



## SHIP CONSTRUCTION ASSISTANCE

On May 12, 1961, the Minister of Transport announced in the House of Commons a policy to subsidize the construction of vessels in Canadian shipyards for operation under Canadian registry in foreign and domestic trade, and in the fishing industry. The policy was designed to enable Canadian shipowners to obtain new vessels from Canadian shipyards at prices that are comparable to construction costs abroad. The policy is administered by the Canadian Maritime Commission and was set out for 1961-62 by regulations issued under authority of vote 592 of the Appropriation Act No. 4, 1961, (P.C. 1961-1290, September 8, 1961).

This programme is not a federal-provincial shared cost or conditional grant programme but it is a programme which may incidentally be of financial benefit to a province since a shipowner is defined by the regulations as "a Canadian citizen, a corporation incorporated under the laws of Canada or of any Province, or Her Majesty in right of any Province". The subsidy is payable not to the shipowner but to the shipbuilder and shall amount to not more than 40 per cent of approved costs for work performed between May 12, 1961 and March 31, 1963, and 35 per cent after March 31, 1963 in the case of vessels other than fishing trawlers. The programme was continued under vote 222 of the 1962 Appropriation Act and was governed by regulations specified in P.C. 1962-1122, August 8, 1962.

A province will benefit financially whenever it or a provincial Crown Corporation orders a ship constructed in a Canadian shipyard, to the extent that its payment to a shipbuilder is reduced by the amount of the federal contribution.

None of the federal capital contributions of \$2,025,261 in 1961-62 accrued to the benefit of a province but it is anticipated that British Columbia, operating the ferry service to Vancouver Island through the agency of the British Columbia Toll Highways and Bridges Authority, will benefit in 1962-63.



## **STATISTICAL TABLES**

### **Federal Contributions Paid to the Provinces under Conditional Grant Programmes**



FEDERAL CONTRIBUTIONS PAID TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES—1956-57  
(thousands of dollars)

	Page Public Accts.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
1. Agriculture												
(a) Agricultural lime assistance.....	A-35	4	36	49	44	320	21	—	—	—	26	500
(b) Farm Labour Agreements.....	K-8	—	—	7	3	16	7	4	19	46	9	111
(c) Ram Premium Policy.....	A-26	—	—	—	1	2	1	1	3	—	—	6
(d) Boar Policy.....	—	—	—	—	—	—	—	—	—	—	—	3
(e) Bull Policy.....	—	1	—	—	—	—	—	—	—	—	—	1
(f) Freight on Livestock to R.W. Fair	A-28	—	1	1	2	5	—	6	4	9	—	28
(g) 4-H Clubs.....	—	—	1	5	3	7	34	5	3	11	3	72
(h) Land Protection and Reclamation	A-43	125	—	—	—	—	—	—	—	—	—	125
(i) Riding and Duck Mountain.....	—	—	—	—	—	—	—	92	—	—	—	92
Sub-total.....		130	38	62	53	350	63	108	30	66	38	938
2. Health												
(a) Hospital Construction.....	O-22/3	34	23	236	681	3,650	3,769	867	258	862	974	11,354
(b) General Public Health.....	—	247	92	422	251	1,019	1,986	336	417	499	742	6,011
(c) Tuberculosis Control.....	—	271	41	236	170	1,690	908	213	222	220	286	4,257
(d) Mental Health.....	—	169	71	298	275	1,816	1,920	364	398	432	599	6,342
(e) Venereal disease control.....	—	17	3	34	21	114	135	30	31	37	44	466
(f) Crippled children.....	—	15	12	24	21	134	140	30	30	37	23	466
(g) Professional Training.....	—	19	3	24	19	98	234	19	25	33	37	511
(h) Cancer Control.....	—	53	11	180	129	987	971	220	205	246	242	3,244
(i) Public Health Research.....	—	—	—	31	8	179	143	16	21	1	24	423
(j) Laboratory and radiological ser- vices.....	—	114	30	137	251	232	—	421	317	30	108	1,640
(k) Medical rehabilitation.....	—	15	—	31	30	152	13	59	58	67	63	488
(l) Child and Maternal health.....	—	26	14	62	67	199	271	89	106	119	37	990
(m) Vital Statistics fees.....	Y-10	2	—	3	3	21	24	4	3	5	6	71
(n) Medical aid and hospitalization of Immigrants.....	—	—	—	1	—	—	92	8	4	1	25	131
(o) Indian and Eskimo health ser- vices (Nan nursing station).....	O-16	44	—	—	—	—	—	—	—	—	—	44
Sub-total.....		1,026	300	1,719	1,926	10,291	10,606	2,676	2,095	2,589	3,210	36,438



FEDERAL CONTRIBUTIONS PAID TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES—1956-57—Continued  
(thousands of dollars)

	Page Public Accts.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
7. Resource Development												
(a) Fur conservation.....	CC-14	—	—	—	—	—	75	20	21	—	—	116
(b) Construction of fishing vessels....	G-17	—	—	—	—	64	—	—	—	—	—	64
(c) Fish plant construction.....	G-5	66	—	—	—	—	—	—	—	—	—	66
(d) Great Lakes Fishery Research....	G-14	—	—	—	—	—	14	—	—	—	—	14
(e) Forest Inventories.....	R-27/28	—	—	62	14	—	241	18	25	21	479	860
(f) Reforestation.....	—	—	15	2	—	—	127	12	3	—	—	159
(g) Spruce Budworm.....	R-28	—	—	—	650	—	—	—	—	—	—	650
(h) Lakes Wpg. & Manitoba Board....	R-18	—	—	—	—	—	—	23	—	—	—	23
(i) Conestogo River Dam.....	R-18	—	—	—	—	—	393	—	—	—	—	393
(j) Okanagan Flood Control.....	W-67	—	—	—	—	—	—	—	—	—	—	367
(k) Oak River Flood Control.....	CC-9	—	—	—	—	—	—	5	—	—	—	5
Sub-total.....		66	15	64	664	64	850	78	49	21	846	2,717
8. Civil Defence.....	O-58	33	—	25	21	—	348	32	49	119	187	814
9. Other												
(a) National Research Council.....	P-2	—	—	5	—	—	27	—	10	10	10	62
(b) Contribution re 1955 floods.....	E-17	—	—	—	—	—	—	18	32	—	—	50
(c) School hostels—Labrador.....	R-21	25	—	—	—	—	—	—	—	—	—	25
Sub-total.....		25	—	5	—	—	27	18	42	10	10	137
10. Total		6,573	1,125	4,819	8,742	23,544	25,446	8,511	7,723	7,000	17,491	110,974



FEDERAL CONTRIBUTIONS PAID TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES—1957-58  
(thousands of dollars)

	Page Public Acts.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
1. Agriculture												
(a) Agricultural Lime Assistance.....	A-30	4	36	68	46	252	46	—	—	—	48	500
(b) Farm Labour Agreements.....	K-7/8	—	—	9	3	17	9	15	20	46	9	128
(c) Farm Premium Policy.....	A-21	—	—	—	1	2	1	2	6	1	—	6
(d) Boar Policy.....	—	—	—	—	—	—	—	—	—	—	—	8
(e) Bull Policy.....	—	1	—	—	—	—	—	—	—	—	—	1
(f) Freight on Livestock to R.W. Fair	A-22	—	1	1	1	7	—	6	6	12	3	37
(g) 4-H Clubs.....	A-24	—	2	6	—	—	35	8	23	8	2	84
(h) Land Protection and Reclamation	A-38	125	—	—	—	—	—	124	—	—	—	249
(i) Construction of Potato Ware-	—	—	—	—	—	—	—	—	—	—	—	8
houses.....	A-31	—	—	—	—	—	—	—	—	—	—	7
(j) Grants to special fairs.....	A-22	7	—	—	—	—	—	—	—	—	—	9
(k) Emergency Hay Movement.....	A-31	—	—	9	—	—	—	—	—	—	—	—
Sub-total.....		137	39	93	51	278	91	156	55	67	70	1,037
2. Health												
(a) Hospital construction.....	O-20/21	93	41	279	515	1,092	3,267	384	321	629	1,418	8,039
(b) General Public Health.....	—	235	97	373	255	1,316	1,792	397	503	554	768	6,290
(c) Tuberculosis Control.....	—	202	48	190	220	1,435	800	221	225	225	287	3,798
(d) Mental health.....	—	189	74	301	274	1,939	1,956	346	402	463	582	6,526
(e) Venereal Disease Control.....	—	16	3	25	21	109	140	30	31	37	44	456
(f) Crippled Children.....	—	16	13	16	21	139	149	30	29	37	20	470
(g) Professional Training.....	—	25	7	31	19	87	268	26	21	34	43	561
(h) Cancer Control.....	—	54	13	179	128	1,044	1,100	195	202	246	268	3,429
(i) Public Health Research.....	—	—	—	29	—	198	150	15	40	—	26	458
(j) Laboratory and radiological ser-	—	—	—	—	—	—	—	—	—	—	—	—
vices.....	—	154	24	292	285	493	—	422	344	482	186	2,682
(k) Medical rehabilitation.....	—	20	—	40	42	212	90	58	54	42	75	633
(l) Child and Maternal Health.....	—	79	15	96	80	245	218	113	104	133	83	1,166
(m) Vital Statistics fees.....	Y-11	2	—	4	3	22	25	4	4	6	7	77
(n) Medical aid and hospitalization of	—	—	—	—	—	—	—	—	—	—	—	—
immigrants.....	K-8	—	—	—	—	1	—	—	—	—	—	1
(o) Indian and Eskimo health services	—	—	—	—	—	—	—	—	—	—	—	—
(Nain nursing station).....	O-15	10	—	—	—	—	—	—	—	—	—	10
Sub-total.....		1,095	335	1,855	1,813	8,332	9,955	2,241	2,275	2,888	3,807	34,596
3. Hospital Insurance.....		—	—	—	—	—	—	—	—	—	—	—

FEDERAL CONTRIBUTIONS PAID TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES—1957-58—Continued  
(thousands of dollars)

	Page Public Acts.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
4. Welfare												
(a) Old Age Assistance.....	O-53	1,300	142	1,324	1,565	8,755	5,669	1,304	1,441	1,548	1,983	25,031
(b) Blind persons allowances.....		153	37	313	310	1,265	1,736	1,170	176	189	214	3,563
(c) Disabled persons allowances.....		206	113	457	405	6,049	2,524	273	317	397	349	11,090
(d) Unemployment Assistance.....	O-54	1,788	73	26	42	—	2,135	751	627	—	2,791	8,233
(e) Rehabilitation of disabled persons.....		—	—	—	—	—	—	—	—	—	—	—
(f) Welfare assistance to Immigrants.....	CC-6	9	1	5	10	—	13	9	12	9	3	71
		—	—	2	—	—	96	16	4	5	38	161
Sub-total.....		3,456	366	2,127	2,332	16,069	11,173	2,523	2,577	2,148	5,378	48,149
5. Vocational Training, etc.												
(a) Youth Training.....	K-10	28	6	33	13	—	100	16	47	20	49	312
(b) Apprenticeship Training.....		46	—	78	61	—	306	91	121	355	274	1,332
(c) Vocational School Assistance.....		73	53	127	136	—	—	156	115	909	280	1,849
(d) Training of unemployed persons.....		—	—	175	16	—	20	46	37	51	52	397
(e) Training of disabled persons.....		11	3	33	51	—	102	27	18	10	15	270
(f) Training of armed forces.....		—	—	—	—	3	—	11	—	24	—	38
(g) Training for Depts. of Fed. Gov't.....		—	—	—	—	—	2	—	—	—	—	2
(h) Vocational Correspondence courses.....		—	—	—	—	—	2	—	—	—	—	2
(i) Foreman and Supervisor Training.....		—	—	—	—	—	4	—	—	1	4	9
(j) Language Instruction for Immigrants.....		—	—	—	—	—	—	—	—	—	—	—
(k) School Building contribution.....	CC-4	—	—	3	1	—	167	15	7	10	38	241
(l) Schools of Navigation.....	CC-16	—	—	—	—	—	—	—	74	—	—	74
(m) Steamship Inspection.....	Z-25	—	—	2	—	2	—	—	—	—	7	11
(n) School Building contribution.....	Z-27	—	—	1	—	—	—	—	—	—	—	1
(o) School Building contribution.....	Z-74	214	—	—	—	—	—	—	—	—	—	214
	R-19	13	—	—	—	—	—	—	—	—	—	13
Sub-total.....		385	62	452	278	5	703	362	419	1,380	719	4,765
6. Highways and Transportation												
(a) Trans-Canada Highway.....	W-68	861	1,233	3,532	3,558	—	12,419	2,729	3,346	5,290	16,418	49,386
(b) Railway Grade Crossing Fund.....	Z-86	—	—	—	—	99	261	18	—	108	—	486
(c) Highway relocation—Oromocto.....	N-35	—	—	—	419	—	—	—	—	—	—	419
(d) Airport contribution.....	Z-74	—	—	—	—	—	—	—	5	—	—	5
(e) Queensway contribution.....	W-69	—	—	—	—	—	205	—	—	—	—	205
(f) Morey Channel Bridge.....	W-69	—	—	—	—	—	—	—	—	—	400	400
(g) Remedial Works—navigation.....	W-57	—	—	—	—	—	42	—	—	—	—	42
Sub-total.....		861	1,233	3,532	3,977	99	12,927	2,747	3,351	5,398	16,818	50,943





FEDERAL CONTRIBUTIONS PAID TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES—1958-59  
(thousands of dollars)

	Page Public Accts.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
1. Agriculture												
(a) Agricultural Lime Assistance.....	A-34	33	53	101	86	740	47	—	—	—	57	1,117
(b) Farm Labour Agreement.....	P-7	—	—	7	3	17	6	14	19	55	9	130
(c) Ram Premium Policy.....	A-24	—	—	—	—	2	3	1	11	2	—	6
(d) Boar Policy.....	—	—	—	—	—	—	—	1	5	—	—	1
(e) Bull Policy.....	1	—	—	—	—	—	—	—	—	—	—	1
(f) Foal Club Policy.....	—	—	—	—	—	—	1	—	—	—	—	1
(g) Freight on Livestock to R.W. Fair	A-26	—	2	1	1	7	—	—	7	12	—	30
(h) 4-H Clubs.....	A-27	—	1	5	3	17	34	7	4	—	4	75
(i) Grants to Special Fairs.....	A-26	12	—	—	—	—	—	—	—	—	—	12
(j) Land Protection and Reclamation	A-42	125	—	—	—	—	—	97	—	—	—	222
(k) Construction of Potato Ware-	—	—	—	—	—	—	—	—	—	—	—	—
houses.....	A-35	—	—	13	—	—	—	36	—	—	62	62
(l) Emergency Hay Movement.....	A-34/5	—	—	—	—	—	—	—	148	—	—	197
Sub-total.....		171	56	127	93	783	91	156	186	69	132	1,864
2. Health												
(a) Hospital construction.....	V-22	67	142	320	448	6,915	4,245	712	1,202	1,139	1,637	16,827
(b) General Public Health.....	—	259	78	368	272	1,659	2,146	489	437	617	872	7,197
(c) Tuberculosis Control.....	—	116	48	188	165	1,499	817	195	210	230	273	3,741
(d) Mental Health.....	—	204	67	306	262	2,071	2,003	336	402	541	603	6,795
(e) Venereal Disease Control.....	—	16	3	24	20	93	145	29	39	37	47	443
(f) Crippled Children.....	—	4	6	20	20	92	152	29	25	37	24	409
(g) Professional Training.....	—	17	2	31	19	132	266	32	23	36	53	611
(h) Cancer Control.....	—	15	12	152	123	1,026	1,182	175	191	252	246	3,374
(i) Public Health Research.....	—	—	—	33	—	190	127	26	46	13	23	458
(j) Laboratory and radiological ser-	—	—	—	—	—	—	—	—	—	—	—	—
ices.....	—	131	49	340	283	1,379	62	246	281	493	250	3,514
(k) Medical rehabilitation.....	—	15	14	31	41	234	142	56	48	30	81	692
(l) Child and Maternal health.....	—	41	15	96	79	584	461	88	107	95	134	1,700
(m) Vital Statistics fees.....	A-G-12	2	1	3	2	22	24	4	4	6	7	75
(n) Special technical services—public	—	—	—	—	—	—	—	—	—	—	—	—
health.....	V-18	—	1	9	5	44	10	2	1	1	—	73
Sub-total.....		887	438	1,921	1,739	15,940	11,782	2,419	3,006	3,527	4,250	45,909
3. Hospital Insurance.....	V-51	2,858	—	1,573	—	—	13,140	7,148	8,430	8,775	12,784	54,708

4. Welfare												
(a) Old Age Assistance.....	V-56	1,715	192	1,611	1,829	10,593	6,707	1,573	1,763	1,877	2,292	30,152
(b) Blind persons allowances.....		200	43	377	358	1,501	867	199	203	224	249	4,221
(c) Disabled persons allowances.....		302	169	663	552	8,363	3,486	381	406	516	490	15,328
(d) Unemployment Assistance.....	V-57	3,041	68	298	181	—	9,325	1,604	1,421	1,859	6,137	23,934
(e) Rehabilitation of disabled persons.....	P-6	8	3	12	14	—	19	10	20	11	4	101
(f) Welfare Assistance, etc. to Immigrants.....	G-6	—	—	1	—	—	182	24	100	5	24	336
Sub-total.....		5,266	475	2,962	2,934	20,457	20,586	3,791	3,913	4,492	9,196	74,072
5. Vocational Training, etc.												
(a) Youth Training.....	P-9	32	7	41	65	—	100	13	48	16	41	363
(b) Apprenticeship Training.....		46	—	82	72	—	520	76	125	391	362	1,674
(c) Vocational School Assistance.....		92	100	160	138	—	2,314	143	199	1,119	462	4,727
(d) Training of unemployed.....		—	—	165	39	—	29	54	55	79	89	510
(e) Training of disabled persons.....		13	3	40	45	—	99	19	18	15	14	266
(f) Training of armed forces.....		—	—	—	—	—	—	9	—	25	—	34
(g) Vocational Correspondence courses.....		—	—	—	—	—	—	—	—	—	2	2
(h) Foreman and Supervisory Training.....		—	—	—	—	—	4	—	—	1	3	8
(i) Language Instruction for Immigrants.....	G-4	—	—	3	—	—	198	15	7	6	19	248
(j) School Building contribution—Labrador.....	G-19	73	—	—	—	—	—	—	—	—	—	73
(k) Schools of Navigation.....	AH-26	—	—	2	—	2	—	—	—	—	7	11
(l) Steamship Inspection.....	AH-29	7	—	—	—	—	—	—	—	—	—	9
(m) School Building contribution—Gander.....	AH-82	114	—	—	—	—	—	—	—	—	—	114
(n) School Building contribution—Ft. Nelson.....	S-63	—	—	—	—	—	—	—	—	—	18	18
Sub-total.....		377	110	495	359	2	3,264	329	452	1,652	1,017	8,057
6. Highways and Transportation												
(a) Trans-Canada Highway.....	AD-79	4,753	535	2,474	11,353	—	15,913	1,814	168	2,229	11,891	51,130
(b) Railway Grade Crossing Fund.....	AH-96	—	—	126	108	208	579	6	161	—	442	1,630
(c) Airport access road—Halifax.....	AH-61	—	—	250	—	—	—	—	—	—	—	250
(d) Roads to Indian Reserves.....	G-8/9	—	—	—	—	—	12	—	37	—	—	49
(e) Reconditioning access road.....	S-29	—	—	84	—	—	—	—	—	—	—	84
(f) Highway relocation—Oromocto.....	S-35	—	—	—	221	—	—	—	—	—	—	221
(g) Road reconstruction—Seven Islands.....	S-54	—	—	—	—	100	—	—	—	—	—	100
(h) Road reconstruction—Naperts Corners.....	S-55	—	—	—	—	130	—	—	—	—	—	130
(i) Various roads.....	S-66	—	—	—	—	—	20	—	—	—	—	20
(j) Road contribution—Bridge No. 40.....	AH-11	—	—	—	—	—	55	—	—	—	—	55
Sub-total.....		4,753	535	2,984	11,682	438	16,579	1,820	366	2,229	12,333	53,669

FEDERAL CONTRIBUTIONS PAID TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES—1958-59—Continued  
(thousands of dollars)

	Page Public Accts.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
7. Resource Development												
(a) Fur conservation.....	G-13	—	—	—	—	—	75	36	45	—	—	156
(b) Construction of fishing vessels...	L-14	—	—	—	—	109	—	—	—	—	—	109
(c) Forest Inventories.....	Y-37	—	2	16	9	—	206	23	19	111	443	829
(d) Forest Fire Protection.....		55	—	36	52	—	221	50	69	94	171	748
(e) Reforestation.....		—	17	3	—	—	157	8	3	—	12	200
(f) Spruce Budworm.....		—	—	—	452	—	—	—	—	—	—	452
(g) Forest access roads.....		56	—	32	22	—	989	236	179	133	441	2,088
(h) Lakes Wpg. and Manitoba Board.	Y-20	—	—	—	—	—	—	17	—	—	—	17
(i) Conestogo River Dam.....		—	—	—	—	—	353	—	—	—	—	353
(j) Okanagan Flood Control.....	AD-64	—	—	—	—	—	—	—	—	—	315	315
(k) Camp grounds and picnic areas...	Y-5	54	2	24	47	—	924	119	51	138	364	1,723
(l) Roads to Resources.....	Y-34	—	—	—	—	—	—	—	750	—	1,001	1,751
Sub-total.....		165	21	111	582	109	2,925	489	1,116	476	2,747	8,741
8. Civil Defence.....	V-53	25	1	49	38	—	449	61	51	126	225	1,025
9. Other												
(a) National Research Council.....	W-3	—	—	5	—	—	27	—	10	10	10	62
(b) Municipal Winter Works.....	P-7	—	—	—	61	—	—	51	33	—	104	249
Sub-total.....		—	—	5	61	—	27	51	43	10	114	311
10. Total.....		14,502	1,636	10,177	17,488	37,729	68,343	16,264	17,563	21,356	42,798	248,356



FEDERAL CONTRIBUTIONS PAID TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES—1959-60  
(thousands of dollars)

	Page Public Accts.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
1. Agriculture												
(a) Agricultural Lime Assistance.....	A-28	17	63	90	103	873	43	—	—	—	84	1,273
(b) Farm Labour Agreement.....	P-6/7	—	—	7	4	18	9	14	22	51	9	134
(c) Ram Premium Policy.....	A-22	—	—	1	1	—	3	2	3	—	—	10
(d) Boar Policy.....	—	—	—	—	—	—	—	1	—	—	—	1
(e) Bull Policy.....	—	—	—	—	—	—	—	—	—	—	—	1
(f) Foal Club Policy.....	—	1	—	—	—	—	—	—	1	—	—	1
(g) Freight on Livestock to R.W. Fair A-24 and letter	—	—	—	—	—	—	—	—	—	—	—	—
(h) 4-H Clubs.....	A-25	—	2	7	2	—	—	6	5	13	—	35
(i) Grants to Special Fairs.....	A-24	2	2	4	6	10	38	11	28	20	4	125
(j) Land Protection and Reclamation A-37	—	12	—	—	—	—	—	—	—	—	—	12
(k) Construction of Potato Warehouses.....	—	117	—	—	—	—	—	44	—	—	—	161
(l) Emergency fodder and livestock movement.....	A-18	—	—	—	—	—	—	—	—	—	18	18
(m) Unharvested crops compensation.	A-28	—	—	—	—	—	—	27	73	5	—	105
(n) Health of Animals—rabies control A-22	—	—	—	—	—	—	108	235	2,911	1,599	—	4,745
Sub-total.....		149	67	109	116	901	201	340	3,043	1,688	115	6,729
2. Health												
(a) Hospital construction.....	V-8/9	200	132	89	210	4,686	6,614	536	642	402	1,429	14,940
(b) General Public Health.....	—	256	84	449	332	2,098	2,924	509	462	653	870	8,637
(c) Tuberculosis Control.....	—	131	88	187	159	1,468	810	202	202	254	309	3,700
(d) Mental Health.....	—	183	83	375	301	2,242	2,130	351	392	985	642	7,684
(e) Venereal Disease Control.....	—	16	3	18	16	103	143	28	29	38	47	441
(f) Crippled Children.....	—	4	2	19	58	133	146	28	25	38	44	497
(g) Professional Training.....	—	18	4	30	19	147	299	32	27	37	41	654
(h) Cancer Control.....	—	2	13	133	74	1,123	1,079	184	187	254	271	3,320
(i) Public Health Research.....	—	—	—	38	—	180	124	18	30	18	28	436
(j) Laboratory and radiological services.....	—	190	37	100	106	1,961	269	170	95	56	29	3,013
(k) Medical rehabilitation.....	—	21	13	11	40	306	62	56	47	32	85	673
(l) Child and Maternal health.....	—	42	12	62	42	646	470	162	112	134	160	1,842
(m) Vital Statistics fees.....	AG-8	2	—	3	3	22	27	4	4	5	7	77
(n) Medical Aid etc. to Immigrants..	P-7	—	—	—	—	1	—	—	—	—	—	1
Sub-total.....		1,065	421	1,514	1,360	15,116	15,097	2,280	2,254	2,906	3,962	45,975
3. Hospital Insurance.....	V-38	4,708	447	8,163	4,575	—	71,893	11,324	13,378	15,699	20,406	150,583

## FEDERAL CONTRIBUTIONS PAID TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES—1959-60—Continued

(thousands of dollars)

	Page Public Accts.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
4. Welfare												
(a) Old Age Assistance.....	V-53	1,736	205	1,619	1,789	10,689	6,608	1,581	1,757	1,956	2,354	30,294
(b) Blind persons allowances.....		201	41	379	349	1,494	195	195	196	223	263	4,180
(c) Disabled persons allowances.....		349	198	759	597	8,307	3,858	433	433	537	575	16,046
(d) Unemployment assistance.....	V-54	3,670	113	654	351	7,791	14,029	2,380	1,828	2,072	7,245	40,133
(e) Rehabilitation of disabled persons	P-6	9	3	11	17	—	21	10	19	14	4	108
(f) Welfare Assistance, etc. to Immi- grants.....	G-6	—	—	—	—	—	89	2	5	—	3	99
Sub-total.....		5,965	560	3,422	3,103	28,281	25,444	4,601	4,238	4,802	10,444	90,860
5. Vocational Training, etc.												
(a) Assistance to Students.....	P-10	8	6	10	15	—	100	7	30	10	30	216
(b) Primary Industry and Home- making.....		20	2	26	29	—	—	7	17	11	6	118
(c) Apprenticeship Training.....		64	—	89	94	—	499	88	143	471	342	1,790
(d) Vocational School Assistance.....		88	124	159	211	—	2,337	199	998	224	781	5,121
(e) Training of unemployed.....		—	—	142	31	—	9	89	53	104	117	545
(f) Training of disabled persons.....		12	2	35	43	—	112	28	23	16	12	283
(g) Training of armed forces.....		—	—	—	—	—	—	1	—	29	—	30
(h) Vocational Correspondence courses.....		—	—	—	1	—	—	—	—	—	—	1
(i) Foreman and Supervisory Train- ing.....		—	—	—	—	—	5	—	—	1	3	9
(j) Language Instruction of Immi- grants.....	G-4	—	—	3	—	—	198	12	10	4	12	239
(k) Schools of Navigation.....	AH-27	—	—	6	—	3	—	—	—	—	6	15
(l) Steamship Inspection.....	AH-30	3	—	1	—	—	—	—	—	—	—	4
Sub-total.....		195	134	471	424	3	3,260	431	1,274	870	1,309	8,371
6. Highways and Transportation												
(a) Trans-Canada Highway.....	AD-82	5,353	1,172	3,129	8,121	—	18,436	1,725	33	1,066	14,229	53,264
(b) Railway Grade Crossing Fund....	AH-102	6	—	420	35	200	1,183	—	—	39	894	2,777
(c) Airport access road—Halifax.....	AH-64	—	—	250	—	—	—	—	—	—	—	250
(d) Highway relocation—Oromocto....	S-34	—	—	—	5	—	—	—	—	—	—	5
(e) Tantramar River Dam, Trans- Canada.....	AD-82	—	—	—	91	—	—	—	—	—	—	91
(f) Roads—Indian Reserves.....	G-9	—	—	—	—	—	—	—	44	—	—	44
(g) Various roads.....	A-11, S- 29/53/63	—	—	88	—	247	54	—	—	—	—	389
(h) Airport developments.....	AH-89	—	—	—	—	—	—	—	10	—	—	10
(i) Air Services—damage to property	S-67	—	—	—	—	—	—	—	—	4	—	4
Sub-total.....		5,359	1,172	3,887	8,252	447	19,673	1,725	87	1,109	15,123	56,834





FEDERAL CONTRIBUTIONS PAID TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES—1960-61  
(thousands of dollars)

	Page Public Accts.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
1. Agriculture												
(a) Agricultural Lime Assistance.....	1-25	10	75	131	105	967	44	—	—	—	68	1,400
(b) Farm Labour Agreements.....	17-5	—	5	9	4	22	12	16	20	59	7	154
(c) Ram Premium Policy.....	1-19	—	1	—	1	2	2	3	3	—	—	12
(d) Boar Policy.....	—	—	—	—	—	—	—	2	4	—	—	6
(e) Bull Policy.....	2	—	—	—	—	—	—	—	—	—	—	2
(f) Freight on Livestock to R. W. Fair.....	1-21	—	—	2	—	—	—	4	—	13	1	20
(g) Grants to special fairs.....	12	—	—	—	—	—	—	—	—	—	—	12
(h) 4-H Clubs.....	1	—	2	5	3	11	42	7	11	11	7	100
(i) Land Protection and Reclamation 1-29/34	125	—	—	—	—	—	—	148	5	—	—	278
(j) Construction of Potato Warehouses.....	1-15	—	—	—	—	—	—	—	—	—	100	100
(k) Emergency fodder and livestock movement.....	1-25	—	—	—	—	—	—	162	94	3	—	259
(l) Unharvested crop compensation.....	—	—	—	—	—	—	—	189	218	1,031	—	1,438
(m) Health of Animals—rabies control	1-19	—	—	—	—	—	7	—	—	—	—	7
Sub-total.....		150	83	147	113	1,002	107	531	355	1,117	183	3,788
2. Health												
(a) Hospital Construction Grant.....	23-8	71	170	1,323	396	4,956	6,999	1,201	803	322	1,354	17,595
(b) General Public Health.....	327	123	751	461	158	2,636	2,617	704	675	986	1,192	10,472
(c) Tuberculosis Control.....	126	29	146	1,274	313	1,274	785	177	151	211	656	3,343
(d) Mental Health.....	210	99	372	372	72	2,417	2,622	406	395	631	656	8,121
(e) Professional Training.....	43	2	74	74	62	283	501	78	64	106	65	1,288
(f) Cancer Control.....	23	12	42	42	62	915	1,059	181	186	252	305	3,017
(g) Public Health Research.....	—	—	—	48	—	594	578	44	50	82	63	1,459
(h) Medical rehabilitation and crippled children.....	24	9	47	78	47	367	226	131	82	86	109	1,159
(i) Child and Maternal health.....	20	4	72	42	42	568	388	74	80	72	113	1,423
(j) Vital Statistics fees.....	34-8	2	—	2	3	10	28	3	3	7	7	65
Sub-total.....		846	448	2,877	1,585	14,010	15,783	2,999	2,489	2,755	4,150	47,942
3. Hospital Insurance.....	23-38	5,095	1,011	9,595	7,914	13,937	84,484	13,049	14,454	16,906	22,493	188,938

<b>4. Welfare</b>												
(a) Old Age Assistance.....	23-53	1,708	217	1,608	1,747	10,977	6,629	1,601	1,770	2,009	2,332	30,598
(b) Blind persons allowances.....		208	40	381	342	1,457	841	187	196	221	269	4,142
(c) Disabled persons allowances.....		389	231	848	634	7,996	4,163	455	464	556	643	16,379
(d) Unemployment Assistance.....	23-54	2,833	111	1,609	1,396	14,165	12,916	3,277	2,270	2,556	10,313	51,446
(e) Rehabilitation of disabled persons.....	17-5	10	3	14	18	—	25	25	26	19	4	144
(f) Welfare Assistance, etc. to Immigrants.....	7-5	—	—	—	—	1	73	—	1	—	6	81
Sub-total.....		5,148	602	4,460	4,137	34,596	24,047	5,545	4,727	5,361	13,567	102,790
<b>5. Vocational Training, etc.</b>												
(a) Assistance to Students.....	17-8	8	6	10	15	—	100	7	30	10	—	186
(b) Apprenticeship Training.....		35	18	96	99	—	565	81	133	445	164	1,638
(c) Vocational schools etc. assistance.....		115	183	183	725	—	2,450	251	508	268	564	5,142
(d) Training in primary industry.....		17	—	26	28	—	—	8	16	4	1	100
(e) Training of unemployed.....		49	—	234	75	40	17	164	119	158	139	995
(f) Training of disabled persons.....		11	1	45	50	—	153	22	24	17	7	330
(g) Training of armed forces, etc.....		—	—	—	—	1	—	—	—	18	—	19
(h) Foreman and Supervisory Training.....		—	—	—	—	—	5	—	—	1	8	14
(i) Vocational Correspondence courses.....		—	—	—	—	—	2	—	—	—	—	2
(j) Language Instruction of Immigrants.....		—	—	—	—	—	184	12	10	3	12	223
(k) Schools of Navigation.....	7-3 35-22	—	—	2	—	—	—	—	—	—	9	18
(l) Steamship Inspection.....	35-25	1	—	—	—	2	—	—	—	—	—	1
Sub-total.....		236	25	603	992	43	3,476	545	920	924	904	8,668
<b>6. Highways and Transportation</b>												
(a) Trans-Canada Highway.....	31-68	6,579	551	3,257	3,461	—	17,869	542	34	268	16,135	48,696
(b) Railway Grade Crossing Fund.....	39-52	—	—	714	210	421	1,872	269	333	—	1,515	5,334
(c) Campobello—Lubec bridge.....	31-66	—	—	—	33	—	—	—	—	—	—	33
(d) Tantramar River Dam—Trans-Canada.....	31-79	—	—	—	4	—	—	—	—	—	—	4
(e) Various access roads.....	20-29/ 39/46	—	—	2	—	44	6	96	—	—	—	148
(f) Highway relocation—Oromocto.....	20-33	—	—	—	7	—	—	—	—	—	—	7
(g) Breakwater road.....	31-87	—	—	6	—	—	—	—	—	—	—	6
Sub-total.....		6,579	551	3,979	3,715	465	19,747	907	367	268	17,650	54,228

FEDERAL CONTRIBUTIONS PAID TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES—1960-61—Continued  
(thousands of dollars)

	Page Public Accts.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
7. Resource Development												
(a) Fur Conservation.....	7-12	—	—	—	—	—	33	58	40	11	—	142
(b) Construction of fishing vessels.....	12-12	—	—	—	—	123	—	—	—	—	—	123
(c) Forest Inventories.....	13-5	—	—	10	29	—	186	20	37	69	442	793
(d) Forest Fire Protection.....		67	5	43	63	287	281	83	86	130	205	1,250
(e) Reforestation.....		—	19	1	—	—	183	12	15	1	—	231
(f) Spruce Budworm.....		—	—	—	523	—	—	—	—	—	—	523
(g) Forest access roads.....		—	—	7	10	178	—	55	—	129	265	644
(h) Okanagan Flood Control.....	31-64	—	—	—	—	—	—	—	—	—	28	28
(i) Camp grounds and picnic areas.....	26-3	70	10	52	71	10	930	181	182	266	410	2,182
(j) Roads to Resources.....	26-3	798	1,466	1,064	784	322	1,504	1,602	1,940	1,536	984	12,000
Sub-total.....		935	1,500	1,177	1,480	920	3,117	2,011	2,300	2,142	2,334	17,916
8. Civil Defence.....	20-15	46	14	150	93	—	798	124	132	405	483	2,245
9. Municipal Winter Works.....	17-6	39	—	220	196	1,686	2,447	259	789	1,545	1,727	8,908
10. Other												
(a) Preparation of building site.....	25-4	—	—	—	—	—	—	25	—	—	—	25
(b) Construction of freezer, Indian reserve.....	7-13	—	—	—	—	—	—	—	13	—	—	13
(c) National Research Council.....	24-2	—	—	5	—	—	27	—	10	10	10	62
Sub-total.....		—	—	5	—	—	27	25	23	10	10	100
11. TOTAL.....		19,074	4,234	23,213	20,225	66,659	154,633	25,995	26,556	31,433	63,501	435,523



FEDERAL CONTRIBUTIONS PAID TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES—1961-62  
(thousands of dollars)

	Page Public Accts.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
<b>1. Agriculture</b>												
(a) Agricultural Lime Assistance....	1-26	18	71	116	106	2,239	37	—	—	—	75	2,662
(b) Farm Labour Agreements.....	17-5	—	5	9	4	21	11	17	20	57	8	132
(c) Ram Premium Policy.....	1-20	—	—	—	—	2	2	2	—	—	—	6
(d) Boar Policy.....	—	—	—	—	—	6	1	2	—	—	—	3
(e) Freight Assistance to R.W. Fair. letter	1-22 and letter	—	3	—	2	6	—	7	9	—	1	28
(f) Grants to special fairs.....	—	12	—	—	—	—	—	—	—	—	—	12
(g) 4-H Clubs.....	1-23 and letter	2	4	5	—	11	44	15	23	10	6	120
(h) Land Protection and Reclamation	—	—	—	—	—	—	—	—	—	—	—	—
(i) Potato Warehouse construction...	1-35	125	—	—	—	—	—	13	—	—	—	138
(j) Harvesting and transport of fod- der.....	1-14	—	—	—	—	—	—	141	38	—	24	203
(k) Compensation re disease losses...	1-26/27	—	—	—	—	—	—	336	853	89	—	1,278
(l) Crop Insurance.....	1-18/26	—	195	—	—	—	13	—	—	—	—	208
(m) Cattle blood testing.....	1-12/39	—	—	—	—	—	—	353	—	—	—	353
(n) Science Service Lab. Guelph.....	1-15	—	—	—	—	—	—	—	—	1	—	1
(o) Community well drilling.....	1-8	—	—	—	—	—	10	—	—	—	—	10
letter	1-33 and letter	—	—	—	—	—	—	4	4	3	—	11
Sub-total.....		157	278	130	112	2,279	118	890	947	160	114	5,185
<b>2. Health</b>												
(a) Hospital Construction.....	23-29	593	18	1,140	351	4,988	7,620	1,191	762	1,328	1,009	19,000
(b) General Public Health.....	23-6	360	141	773	480	1,641	2,677	689	659	1,039	1,147	9,606
(c) Tuberculosis Control.....	—	144	29	139	126	1,232	729	168	159	215	274	3,215
(d) Mental Health.....	—	197	95	370	312	2,476	2,603	426	406	638	692	8,215
(e) Professional Training.....	—	77	26	75	59	466	402	78	71	126	67	1,447
(f) Cancer Control.....	—	13	15	48	124	480	1,170	181	184	255	313	2,733
(g) Public Health Research.....	—	—	—	57	—	650	595	95	64	90	59	1,610
(h) Medical rehabilitation and crippled children.....	—	113	13	34	95	533	252	130	98	113	233	1,614
(i) Child and Maternal Health.....	—	32	7	53	39	549	394	76	68	61	109	1,388
(j) Vital Statistics fees.....	34-8	2	—	3	3	18	25	5	4	6	7	73
Sub-total.....		1,531	344	2,692	1,589	13,033	16,467	3,039	2,475	3,871	3,910	48,951
<b>3. Hospital Insurance.....</b>	23-37	6,258	1,382	11,873	9,547	73,022	104,499	15,246	15,954	19,730	25,698	283,209

FEDERAL CONTRIBUTIONS PAID TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES—1961-62—Continued  
(thousands of dollars)

	Page Public Accts.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
4. Welfare												
(a) Old Age Assistance.....	23-53	1,673	249	1,569	1,760	10,896	6,903	1,652	1,762	2,001	2,284	30,749
(b) Blind persons allowances.....	209	209	40	386	349	1,412	188	188	193	223	270	4,107
(c) Disabled persons allowances.....	414	414	259	909	668	7,461	4,503	478	489	559	685	16,425
(d) Unemployment Assistance.....	4,417	4,417	173	1,743	1,371	38,222	16,990	4,234	4,176	4,217	16,425	91,968
(e) Rehabilitation of disabled persons.....	17-5	10	3	16	25	—	40	35	49	12	6	196
(f) Welfare Assistance to Immi- grants.....	7-5	—	—	—	—	—	51	—	—	—	11	62
Sub-total.....		6,723	724	4,623	4,173	57,991	29,324	6,587	6,669	7,012	19,681	143,507
5. Vocational Training, etc.												
(a) Student Aid.....	17-8	8	6	10	—	100	100	7	30	10	60	331
(b) Apprenticeship Training.....	95	95	—	102	89	—	565	114	147	472	577	2,161
(c) Vocational H.S. training.....	16	16	44	131	138	—	824	173	186	214	228	1,954
(d) Technician training.....	35	35	40	105	190	2,825	258	66	179	258	—	3,350
(e) Trade and Occupational training.....	—	—	—	—	190	3,376	292	—	158	696	449	5,407
(f) Training in co-op. with Industry.....	129	129	29	314	7	12	336	267	231	235	8	31
(g) Training of unemployed persons.....	10	10	1	43	271	930	193	37	31	10	9	3,941
(h) Training of disabled persons.....	—	—	—	—	34	—	—	—	—	—	—	368
(i) Training of technical teachers, etc.....	—	—	1	2	9	55	130	4	—	1	11	213
(k) Training for federal departments, etc.....	—	—	—	—	—	23	4	—	—	—	—	27
(l) Technical Correspondence courses.....	—	—	—	—	1	—	—	—	—	—	8	9
(m) Capital Assistance—technical schools.....	2,681	2,681	80	433	819	1,509	8,625	475	598	1,779	877	17,876
(n) Language Instruction of Immi- grants.....	7-3	—	—	2	—	—	193	10	12	2	14	233
(o) Education—Indians.....	7-23	—	—	—	—	—	—	20	—	—	—	20
Sub-total.....		2,974	201	1,152	1,564	8,830	12,123	1,174	1,465	3,598	2,840	35,921
6. Highways and Transportation												
(a) Trans-Canada Highway.....	31-66	2,239	300	1,768	2,357	2,703	13,004	857	71	654	12,531	36,484
(b) Railway Grade Crossing Fund.....	39-56	274	—	306	460	119	1,537	—	223	249	292	3,460
(c) Campbell-Lubec bridge.....	31-64	—	—	—	236	—	—	—	—	—	—	236
(d) Transmar River Dam—Trans- Canada.....	31-79	—	—	—	6	—	—	—	—	—	—	6
(e) Burlington Low-level bridge approaches.....	31-64	—	—	—	—	—	64	—	—	—	—	64
(f) Replacement of canal bridge.....	35-14	—	—	—	—	—	110	—	—	—	—	110





FEDERAL CONTRIBUTIONS TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES—1962-63  
Preliminary  
(thousands of dollars)

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
1. Agriculture											
(a) Agricultural Lime Assistance.....	15	66	100	100	1,205	42	—	—	—	71	1,609
(b) Farm Labour Agreements.....	—	5	9	5	22	22	17	20	50	11	161
(c) Ram Premium Policy.....	—	—	—	—	—	—	—	—	—	—	—
(d) Boar Policy.....	—	—	—	—	—	—	—	—	—	—	—
(e) Freight Assistance to R. W. Fair.....	—	2	2	2	5	—	5	5	9	—	30
(f) Grants to special fairs.....	—	—	—	—	—	—	—	—	—	—	—
(g) 4-H Clubs.....	2	2	5	3	11	49	12	16	10	7	117
(h) Land Protection and Reclamation.....	125	—	—	—	—	—	25	—	—	—	125
(i) Potato Warehouse Construction.....	—	—	—	—	—	—	56	—	—	—	25
(j) Emergency fodder policies.....	—	—	—	—	1	15	—	571	70	—	697
(k) Compensation re disease losses.....	—	—	—	—	—	—	—	—	—	—	16
(l) Crop Insurance.....	—	11	—	—	—	—	200	150	—	—	361
(m) Community well drilling.....	—	—	—	—	—	—	45	45	28	—	118
(n) Shipment of seed oats.....	—	—	—	—	—	—	6	14	—	—	20
Sub-total.....	142	86	126	110	1,244	128	366	821	167	89	3,279
2. Health											
(a) Hospital Construction.....	600	100	1,300	700	5,800	6,600	800	900	1,700	1,500	20,000
(b) Other Health grants.....	900	300	1,400	1,200	8,600	9,400	1,900	1,700	2,600	2,900	30,900
Sub-total.....	1,500	400	2,700	1,900	14,400	16,000	2,700	2,600	4,300	4,400	50,900
3. Hospital Insurance.....	7,500	1,700	13,500	10,900	88,700	122,100	17,300	18,300	25,900	30,100	336,000
4. Welfare											
(a) Old Age Assistance.....	2,000	400	2,000	2,100	13,800	8,500	2,000	2,200	2,500	2,700	38,200
(b) Blind persons allowances.....	300	45	500	400	1,700	1,000	200	200	300	300	4,945
(c) Disabled persons allowances.....	300	300	1,100	800	8,600	5,500	600	600	700	900	19,600
(d) Unemployment Assistance.....	4,300	200	1,600	1,600	33,100	23,400	4,700	4,900	6,200	15,900	95,900
(e) Rehabilitation of disabled persons.....	16	8	28	45	—	85	98	51	22	6	359
(f) Welfare Assistance to Immigrants.....	—	—	—	—	1	30	—	1	1	5	38
Sub-total.....	7,116	952	5,228	4,945	57,201	38,515	7,598	7,952	9,723	19,811	159,042
5. Fitness and Amateur Sport.....	27	28	32	30	—	66	33	32	37	37	322

## 6. Vocational Training, etc.

(a) Student Aid.....	8	5	10	30	100	100	8	30	10	30	331
(b) Apprenticeship training.....	55	10	145	98	—	720	124	154	612	500	2,418
(c) Vocational H.S. training.....	10	49	187	138	—	824	30	186	214	228	2,004
(d) Technician training.....	—	—	14	67	4,597	1,253	30	99	200	26	6,291
(e) Trade and Occupational training.....	47	71	228	292	5,087	556	75	208	800	518	7,882
(f) Training in co-op. with industry.....	—	3	3	40	27	25	5	—	—	10	113
(g) Training of unemployed.....	100	15	472	420	1,573	3,000	322	265	233	565	6,965
(h) Training of disabled persons.....	11	2	95	63	297	208	46	32	17	13	784
(i) Training of technical teachers, etc.....	3	2	3	38	75	79	5	13	133	20	371
(j) Training for federal departments, etc.....	4	—	26	1	64	7	—	—	—	57	57
(k) Technical Correspondence courses.....	—	—	1	3	—	4	3	—	—	11	86
(l) Capital Assistance—technical schools.....	12,932	826	2,608	1,853	7,391	119,357	3,123	4,362	22,167	4,421	179,040
(m) Language Instructions of Immigrants.....	—	—	2	—	—	190	11	12	2	13	230
Sub-total.....	13,170	983	3,794	3,042	19,211	126,328	3,920	5,361	24,388	6,375	206,572

## 7. Highways and Transportation

(a) Trans-Canada Highway.....	1,043	66	1,125	1,585	9,622	4,911	500	48	10	10,300	29,210
(b) Railway Grade Crossing Fund.....	—	—	122	302	152	1,402	57	98	481	214	2,828
(c) Campbell-Lubec bridge.....	—	—	—	75	—	—	—	—	—	—	75
(d) Roads—Indian Reserves.....	—	—	—	—	—	—	—	50	—	—	50
Sub-total.....	1,043	66	1,247	1,962	9,774	6,313	557	196	491	10,514	32,163

## 8. Resource Development

(a) Fur Conservation.....	—	—	135	105	165	100	30	40	—	—	170
(b) Construction of fishing vessels.....	40	—	—	—	—	—	—	—	—	—	445
(c) Income Sustenance—special works.....	1	—	21	35	—	202	35	63	84	401	841
(d) Forest Inventories.....	—	19	5	—	—	502	32	33	15	612	15
(e) Reforestation.....	—	—	53	65	327	290	142	121	483	598	2,247
(f) Forest Fire Protection.....	159	9	50	90	1,220	650	250	150	400	750	3,560
(g) Forest access roads.....	—	—	—	160	—	—	—	—	—	—	150
(h) Forest spraying.....	—	—	—	—	—	—	1	—	—	—	681
(i) Stand Improvement.....	—	11	289	25	355	—	—	—	—	—	40
(j) Okanagan Flood Control.....	—	—	—	—	—	400	—	—	—	40	400
(k) Upper Thames River Conservation.....	—	—	—	—	—	750	—	—	—	—	750
(l) Metro Toronto Conservation.....	—	—	—	—	—	40	—	—	—	—	40
(m) Ausable River Conservation.....	—	—	—	—	—	—	2,600	—	—	—	2,600
(n) Greater Winnipeg Floodway.....	—	—	22	40	8	538	104	53	170	317	1,300
(o) Camp grounds and picnic areas.....	40	8	—	—	—	—	—	—	—	—	—
(p) Roads to Resources.....	724	904	900	906	2,281	1,391	667	582	869	1,142	10,366
Sub-total.....	964	951	1,475	1,416	4,356	4,863	3,861	1,015	2,039	3,263	24,203

## 9. Civil Defence

.....	51	28	319	255	750	1,775	265	191	778	993	5,405
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## 10. Municipal Winter Works

.....	300	90	200	400	12,000	6,000	700	1,500	2,700	3,400	27,290
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TOTAL.....	31,813	5,285	28,621	24,960	207,636	322,088	37,300	37,968	70,523	78,982	845,176
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## FEDERAL CONTRIBUTIONS TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES—1963-64

Estimates  
(in thousands of dollars)

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
1. Agriculture											
(a) Agricultural Lime Assistance.....	15	66	110	100	1,205	42	—	—	—	71	1,609
(b) Farm Labour Agreements.....	—	5	9	5	22	14	17	22	50	11	155
(c) Farm Premium Policy.....	—	—	—	—	—	—	—	—	—	—	—
(d) Boar Policy.....	—	—	—	—	—	—	—	—	—	—	—
(e) Freight Assistance to R. W. Fair.....	—	2	2	1	5	—	5	5	9	1	30
(f) Grants to Special fairs.....	12	—	—	—	—	—	—	—	—	—	12
(g) 4-H Clubs.....	125	2	5	3	12	50	12	17	10	7	120
(h) Land Protection and Reclamation.....	—	—	—	—	—	—	—	—	—	—	125
(i) Potato Warehouse Construction.....	—	—	—	—	—	—	—	—	—	—	—
(j) Emergency fodder policies.....	—	—	35	—	—	—	—	21	21	—	77
(k) Compensation re disease losses.....	—	—	—	—	2	15	—	—	—	—	17
(l) Crop Insurance.....	—	50	50	—	100	—	400	250	—	50	900
(m) A.R.D.A.....	100	100	400	400	1,400	1,000	1,200	1,000	800	100	6,500
(n) Compensation for crop losses.....	—	60	72	—	—	—	—	—	—	—	132
Sub-total.....	254	285	683	509	2,746	1,121	1,634	1,315	890	240	9,677
2. Health											
(a) Hospital Construction.....	943	164	900	1,224	4,462	5,712	946	1,534	1,928	2,155	19,968
(b) Other Health Grants.....	928	278	1,302	1,092	9,071	10,036	1,607	1,572	2,276	2,736	30,898
(c) Gender Hospital.....	300	—	—	—	—	—	—	—	—	—	300
(d) Blind Pensioners—treatment.....	—	—	1	3	13	7	1	—	—	—	25
(e) Disability Advisory Service.....	—	1	5	1	12	—	1	—	—	—	20
Sub-total.....	2,171	443	2,208	2,320	13,558	15,755	2,555	3,106	4,204	4,891	51,211
3. Hospital Insurance.....	8,300	1,700	15,100	12,800	107,400	136,500	19,800	21,000	28,100	33,200	383,900
4. Welfare											
(a) Old Age Assistance.....	2,035	366	2,006	2,120	14,056	8,574	2,055	2,187	2,515	2,722	38,636
(b) Blind persons allowances.....	250	46	454	413	1,655	994	216	238	204	317	4,847
(c) Disabled persons allowances.....	527	313	1,115	784	8,316	5,462	578	620	684	842	19,241
(d) Unemployment Assistance.....	5,000	200	2,000	2,000	43,000	22,000	5,500	5,700	7,000	17,500	109,900
(e) Rehabilitation of disabled persons.....	20	10	38	68	170	160	170	65	47	42	620
(f) Hospital Welfare Assistance to Immigrants.....	—	—	18	9	78	120	38	24	29	23	339
(g) Child Welfare—Indians.....	—	—	11	—	—	—	60	6	—	12	89
Sub-total.....	7,832	935	5,642	5,394	67,105	37,310	8,617	8,840	10,539	21,458	173,672
5. Fitness and Amateur Sport.....	50	38	58	54	203	233	64	64	78	87	929





SUMMARY OF FEDERAL CONTRIBUTIONS PAID TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES FISCAL YEARS 1956-57 TO 1963-64  
(thousands of dollars)

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
<b>1. Agriculture</b>											
1956-57.....	130	38	62	53	350	63	108	30	66	38	938
1957-58.....	137	39	93	51	278	91	156	55	67	70	1,037
1958-59.....	171	56	127	93	783	91	156	186	69	132	1,864
1959-60.....	149	67	109	116	901	201	340	3,043	1,688	115	6,729
1960-61.....	150	83	147	113	1,002	107	531	3,555	1,117	183	3,788
1961-62.....	157	278	130	112	2,279	118	886	943	157	114	5,174
1962-63 prelim.....	142	86	126	110	1,244	128	366	821	167	89	3,279
1963-64 est.....	284	285	683	509	2,746	1,121	1,634	1,315	890	240	9,577
<b>2. Health</b>											
1956-57.....	1,026	300	1,719	1,926	10,291	10,606	2,676	2,095	2,589	3,210	36,438
1957-58.....	1,095	335	1,855	1,813	8,332	9,955	2,241	2,275	2,888	3,807	34,596
1958-59.....	887	438	1,921	1,739	15,940	11,782	2,419	3,006	3,527	4,250	45,909
1959-60.....	1,065	421	1,514	1,360	15,116	15,097	2,250	2,954	2,906	3,962	43,975
1960-61.....	1,846	448	2,877	1,585	14,010	15,783	2,999	2,489	2,755	4,160	47,942
1961-62.....	1,551	344	2,692	1,589	13,033	16,467	3,039	2,475	3,871	3,910	46,951
1962-63 prelim.....	1,500	400	2,700	1,900	14,400	16,000	2,700	2,600	4,300	4,400	50,900
1963-64 est.....	2,171	443	2,208	2,320	13,558	15,755	2,555	3,106	4,204	4,891	51,211
<b>3. Hospital Insurance</b>											
1958-59.....	2,858	—	1,573	—	—	13,140	7,148	8,430	8,775	12,784	54,708
1959-60.....	4,708	447	8,163	4,575	—	71,893	11,324	13,378	15,699	20,406	150,593
1960-61.....	5,095	1,011	9,595	7,914	13,937	84,484	13,049	14,454	16,906	22,468	188,938
1961-62.....	6,258	1,382	11,873	9,547	73,022	104,499	15,246	15,954	19,730	25,698	283,209
1962-63 prelim.....	7,500	1,700	13,500	10,900	88,700	122,100	17,300	18,300	25,900	30,100	336,000
1963-64 est.....	8,300	1,700	15,100	12,800	107,400	136,500	19,800	21,000	28,100	33,200	383,900
<b>4. Welfare</b>											
1956-57.....	3,716	305	1,573	1,848	11,746	7,134	2,213	2,199	1,648	5,971	38,353
1957-58.....	3,456	366	2,127	2,332	16,669	11,173	2,523	2,577	2,148	5,378	48,149
1958-59.....	5,266	475	2,962	2,834	20,457	20,586	3,791	3,913	4,492	9,196	72,072
1959-60.....	5,965	560	3,422	3,103	28,281	25,444	4,601	4,238	4,802	10,444	90,860
1960-61.....	5,148	602	4,460	4,137	34,596	24,647	5,545	4,727	5,361	13,567	102,790
1961-62.....	6,723	724	4,623	4,173	57,991	29,324	6,587	6,669	7,012	19,681	143,507
1962-63 prelim.....	7,116	953	5,228	4,945	57,201	38,515	7,598	7,552	9,723	19,811	159,042
1963-64 est.....	7,832	935	5,642	5,394	67,105	37,310	8,617	8,840	10,539	21,458	173,672

## 5. Vocational Training, etc.

1956-57.....	406	33	420	248	648	1,234	262	340	528	549	4,668
1957-58.....	385	62	452	278	5	703	362	419	1,380	719	4,765
1958-59.....	377	110	495	359	2	3,264	329	452	1,652	1,017	8,057
1959-60.....	195	134	471	424	3	3,260	431	527	1,870	1,309	8,371
1960-61.....	256	25	603	492	43	3,476	545	1,274	924	8,668	
1961-62.....	2,974	201	1,152	1,562	8,830	12,123	1,174	1,465	3,598	2,840	35,821
1962-63 prelim.....	13,170	983	3,794	3,042	19,211	126,328	3,920	5,361	24,388	6,375	206,872
1963-64 est.....	6,569	1,424	5,141	3,156	25,967	80,421	3,266	3,703	15,348	11,609	150,004

## 6. Highways and Transportation

1956-57.....	1,171	434	951	3,982	445	5,184	3,124	2,919	2,019	6,680	26,909
1957-58.....	1,861	1,233	3,532	3,977	99	12,927	2,747	3,351	5,368	16,818	50,943
1958-59.....	4,753	535	2,934	11,682	438	16,579	1,820	366	2,229	12,333	53,669
1959-60.....	5,359	1,172	3,887	8,252	447	19,673	1,725	87	1,109	15,123	56,834
1960-61.....	6,579	551	3,979	8,715	465	19,747	907	367	268	17,650	54,228
1961-62.....	2,513	450	2,079	3,059	2,830	14,717	857	352	903	13,113	40,873
1962-63 prelim.....	1,043	66	1,247	1,962	9,774	6,313	557	196	491	10,514	32,163
1963-64 est.....	8,000	100	1,956	6,650	21,331	6,975	165	80	800	5,748	51,805

## 7. Resource Development

1956-57.....	66	15	64	664	64	850	78	49	21	846	2,717
1957-58.....	56	17	51	1,074	16	1,237	316	216	184	1,147	4,314
1958-59.....	165	21	111	1,582	109	2,925	489	1,116	476	2,747	8,741
1959-60.....	462	1,171	2,131	1,031	165	2,241	1,418	1,601	2,461	2,585	15,266
1960-61.....	935	1,500	1,177	1,480	920	3,117	2,011	2,300	2,142	2,334	17,916
1961-62.....	1,245	1,019	2,306	2,087	1,835	3,400	2,270	1,301	2,506	3,503	21,472
1962-63 prelim.....	1,964	951	1,475	1,416	4,356	4,863	3,851	1,015	2,039	3,263	24,203
1963-64 est.....	1,091	1,050	1,154	1,237	3,418	4,875	7,173	1,157	1,815	3,360	26,330

## 8. Civil Defence

1956-57.....	33	—	25	21	—	348	32	49	119	187	814
1957-58.....	14	—	39	34	—	451	33	43	142	212	968
1958-59.....	25	1	49	38	—	449	61	51	126	225	1,025
1959-60.....	19	6	92	70	—	586	91	71	278	350	1,563
1960-61.....	46	14	150	93	—	798	124	132	405	483	2,245
1961-62.....	29	16	182	145	427	1,011	151	109	443	566	3,079
1962-63 prelim.....	51	28	319	255	750	1,775	265	191	778	993	5,405
1963-64 est.....	50	27	313	250	735	1,740	260	188	763	974	5,300

## 9. Municipal Winter Works

1958-59.....	—	—	—	61	—	—	51	33	—	104	249
1959-60.....	25	1	338	311	1,426	1,996	383	322	1,069	713	6,584
1960-61.....	39	—	220	196	1,686	2,447	259	789	1,545	1,727	8,908
1961-62.....	214	11	312	324	10,634	5,371	633	1,161	2,532	3,057	24,249
1962-63 prelim.....	300	90	200	400	12,000	6,000	700	1,500	2,700	3,400	27,290
1963-64 est.....	300	80	200	450	12,000	7,500	900	1,800	3,000	3,300	29,530



SUMMARY OF FEDERAL CONTRIBUTIONS PAID TO THE PROVINCES UNDER CONDITIONAL GRANT PROGRAMMES FISCAL YEARS 1956-57 TO 1963-64  
(thousands of dollars)

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
10. Other											
1956-57	25	—	5	—	—	27	18	42	10	10	137
1957-58	—	—	5	—	—	27	—	10	20	10	72
1958-59	—	—	5	—	—	27	—	10	10	10	62
1959-60	—	—	5	—	—	27	—	10	10	10	62
1960-61	—	—	5	—	—	27	—	10	10	10	62
1961-62	—	—	—	—	—	27	4	1	2	—	7
1962-63 prelim.	27	28	32	30	—	66	33	32	37	37	322
1963-64 est.	100	48	138	119	783	918	164	164	228	267	2,929
GRAND TOTAL											
1956-57	6,573	1,125	4,819	8,742	23,544	25,446	8,511	7,723	7,000	17,491	110,974
1957-58	6,004	2,052	8,154	9,559	24,799	36,564	8,378	8,946	12,227	28,161	144,844
1958-59	14,502	1,636	10,177	17,488	37,729	68,843	16,264	17,563	21,356	42,798	248,356
1959-60	17,947	3,979	20,132	19,242	46,339	140,418	22,593	26,278	30,892	55,017	382,837
1960-61	19,074	4,234	23,213	20,225	66,659	154,633	25,995	26,556	31,433	63,501	435,523
1961-62	21,644	4,425	25,349	22,600	170,881	187,030	30,847	30,430	40,754	72,482	606,442
1962-63 prelim.	31,813	5,285	28,621	24,960	207,636	322,088	37,300	37,968	70,523	78,982	845,176
1963-64 est.	34,667	6,092	32,555	32,885	255,043	293,115	44,534	41,353	65,687	85,047	890,958

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